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International Forum on Indochina Held in Tokyo

Japanese Foreign Minister Speaks

OW0912171493 Tokyo KYODO in English 1321 GMT 9 Dec 93

[Text] Tokyo, Dec. 9 KYODO—A meeting of senior officials from 23 nations and six multilateral organizations yielded broad support Thursday [9 December] for Japan's proposal to hold a major international conference next year to mobilize development assistance for Indochina, Foreign Ministry officials said. Officials said expressions of support came on the first day of a two-day meeting to consider Japan's proposal for a forum for comprehensive development of Indochina, expected to be held at the ministerial level in Tokyo next autumn.

The meeting opened with a call from Foreign Minister Tsutomu Hata for expanded assistance to the war-battered region. In a statement read out on his behalf, Hata said the time is ripe for the international community to boost assistance to the three countries in Indochina—Cambodia, Laos and Vietnam. Hata cited the removal of political obstacles to international support, such as the civil war in Cambodia and the fact that all three countries are now striving toward the common goal of transforming from centrally-planned to market economies. Explaining the rationale for the proposed conference, Hata said it is no longer appropriate for donor countries and organizations to consider their aid strategies in the region solely on a country-by-country basis.

Hata said that the commonality of experiences, needs and goals among the three Indochinese countries suggests that donors should begin promoting regional development in a more comprehensive and organic manner. "Greater results may be attained by the enhancement of complementariness among the three countries," he said.

Hata said that none of the three countries can attain true prosperity without the peace and prosperity of the other two. "The stability of the region cannot be sustained without balanced growth," he cautioned.

Sam Rangsi, Cambodia's Finance and Economy Minister and the highest-level delegate at the conference, said his country welcomes the idea of a forum.

"It will help us link and coordinate our reconstruction and development projects and programs with those of our two neighboring countries," Rangsi said.

Vietnamese Deputy Foreign Minister Vu Khoan said greater regional cooperation would help consolidate regional political stability, while benefiting the three countries economically by allowing them to better exploit their relative advantages. Vu underlined Hanoi's interest in improving the region's network of motorways, waterways, railways and sea lanes, adding that his country also hopes cooperation will enhance environmental protection.

Laotian Vice Foreign Minister Phongsavath Boupha noted that his country is well situated to become an important focus of regional cooperation in land transportation, trade and tourism in Indochina and Southeast Asia. Officials said that numerous delegations touched on the huge development potential of the Mekong River, which flows through all three Indochinese countries. Some delegations voiced hope for an early agreement between the three Indochinese countries and Thailand on a new framework allowing full reactivation of the United Nations-sponsored Mekong Committee, which has lined up dozens of major development projects for future implementation.

Working-level talks on the issue between officials of the four countries concerned were expected to take place later this month in Vietnam, but diplomatic sources at the Tokyo meeting revealed that the meeting has been postponed. The issue of equitable and sustainable utilization of the Mekong Basin's water resources has long been a bone of contention between upstream Thailand and downstream Vietnam.

Cambodian Minister Seeks Aid

OW0912145593 Tokyo KYODO in English 1422 GMT 9 Dec 93

[Text] Tokyo, Dec. 9 KYODO—Cambodian Economy and Finance Minister Sam Rangsi said on Thursday [9 December] his country requires urgent international assistance to help it consolidate a new era of political stability. Rangsi, speaking at a senior officials' meeting in Tokyo on development assistance for Indochina, said Cambodia is looking to the international community "to provide resources required on an urgent basis." He said assistance is badly needed to restore basic infrastructures and essential public services.

Rangsi stressed that Cambodia particularly places value on assistance from and closer economic links with its partners in the Association of Southeast Asian Nations (ASEAN).

"Cambodia realizes that it can best achieve its development goals through its integration in the ASEAN economic region," he said. The 44-year-old economist said Cambodia wants its more prosperous neighbors to facilitate the flow of investment, particularly in the form of joint ventures that would encourage the development of the emerging private sector. He said investment is especially desired in the production of goods for export or goods which can replace essential imports, as well as in services from which it can earn foreign exchange.

Rangsi also placed importance on such infrastructure projects as hydroelectric power stations, bridges, ports and airports. He vowed to potential investors that Cambodia will ensure consistency in economic policy and transparency in its laws, regulations and procedures.

Rangsi pointed out that the Cambodian Government is now setting up a new legal framework to allow the market economy to effectively and fairly function, including a liberal foreign investment law, a new code of commerce, a new banking law and a new accounting system.

Rangsi, a senior figure in the Royalist party FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia], has won wide acclaim in international financial circles for his control of the local Cambodian currency, the riel, which has soared against the dollar and the Thai baht. The Sorbonne-educated technocrat has also worked to stem corruption and increase government revenues through more diligent and efficient enforcement of tax laws and customs duties.

Minister-Level Meeting Set

OW1012111493 Tokyo KYODO in English 1039 GMT 10 Dec 93

[Text] Tokyo, Dec. 10 KYODO—Representatives from 23 nations and six multilateral organizations have agreed to hold a ministerial-level international conference next year to discuss development assistance for three Indochina countries, Foreign Ministry officials said Friday [10 December]. The representatives unanimously accepted Japan's proposal to hold a "forum for comprehensive development of Indochina" next autumn in Tokyo, with Japan as the chair country, the officials said. The officials reached the agreement during a two-day preparatory meeting for the forum which closed Friday, they said.

Sam Rangsi, minister of economy and finance of Cambodia, Laotian Vice Foreign Minister Phong Savat, and Vietnamese Deputy Foreign Minister Vu Khoan attended the preparatory meeting. Other participating nations included the six members of the Association of Southeast Asian Nations (ASEAN), donor countries such as Australia, Germany, France and Britain, and international organizations including the Asian Development Bank (ADB) and the U.N. Development Program (UNDP). The United States attended the meeting as an observer.

The participants also agreed to hold an international private-sector symposium a few months prior to the conference to discuss development of the Indochina nations, the officials said. Discussions among academics and business leaders at the symposium, possibly also to be held in Tokyo, will be reported to the forum, they said.

The preparatory meeting agreed to address at next year's forum regional aspects of social and economic development, namely infrastructural development either of a transnational nature or with implications and effects spreading across national boundaries, the officials said. The forum will also address assistance for the transition to market-oriented economies, human resources development and nation building, which are required by all three Indochina nations, as well as environmental and other issues with regional implications, they said. They agreed that the forum's aim should be the focusing of international attention "at a high political level" on the economic and social development of the Indochina countries and at providing "impetus" to the development efforts of both the Indochina nations and the international community, the officials said.

The ADB agreed to compile a compendium describing the projects or programs on infrastructural development with regional implications, such as transportation infrastructure, energy development, and telecommunications, they said. Another compendium will be compiled by the UNDP on assistance for the transition to market-oriented economy, human resources development and nation-building programs, they said. The documents will be distributed to every nation involved and will be the basis for discussions at the conference, they said.

The ministry officials said participants in the preparatory meeting welcomed the holding of such an international conference because it has historically been difficult to draw all three Indochina nations together around the same table.

Debate on Usage of 'Indochina'

OW1212095193 Tokyo KYODO in English 0845 GMT 12 Dec 93

[By Tim Johnson]

[Text] Tokyo, Dec. 12 KYODO—Use of the term "Indochina" to apply collectively to Cambodia, Laos and Vietnam came under fire at a recent international meeting in Tokyo on the comprehensive development of the region. Delegates to the session said some objected to the common usage of the term and pressed for rewording of the draft of a document issued at the end of the December 9-19 meeting among senior officials of 23 countries and six international organizations.

The draft text of a chairman's summary initially made reference to "the three countries of Indochina." After objections were raised and the matter given to further deliberation, the word "the" was scrapped and the final document referred only to "three countries of Indochina."

"This means that Indochina is actually made up of more than three countries," said Cambodian Economy and Finance Minister Sam Rangsi. "This way we can avoid some possible confusion or bad interpretation."

Indochina, a literal reference to the intermingling of Indian and Chinese influences in the culture of the region between India and China, was originally conceived by Europeans as a name for the area comprising present-day Cambodia, Laos and Vietnam. The French, who ruled over the area from the mid-19th to mid-20th century, were the first to consider Indochina as a separate geographic and political entity.

"Some people link this term with history because under France the three countries in the Indochina peninsula were colonies," said Vietnamese Deputy Foreign Minister Vu Khoan. "Now the situation has changed and it is just a geographical term."

But to a considerable extent there also exists objection to the political and more recent historical implications of the word, one Asian diplomat said. Many Cambodians continue to be haunted by the memories of past territorial losses to the Vietnamese and of the Indochina Federation that the Indochinese Communist Party under Vietnamese leadership tried to set up in the 1930s and again in the 1970s. Vu took note of such views, but said they are not in keeping with the reality of current relations between Vietnam and its two neighbors. "Some people want to imagine Vietnam as the leader of Indochina countries, but no, no, that isn't the case."

At the outset of the meeting, host Japan referred in its official statements to Cambodia, Laos and Vietnam as "Indochina" or as "the three countries of Indochina." Representatives from Laos and Vietnam, bound together since the late 1970s in a "special relationship," applied the term in a purely geographical sense, with Laos speaking of "countries in the Indochina peninsula" and Vietnam referring more concisely to "the three countries in the Indochina peninsula."

Cambodian participants studiously sidestepped the term "Indochina" altogether in their opening remarks.

While Thailand officially made reference to "the three countries of Indochina," one Thai delegate privately expressed irritation at the term, calling it "a relic of the French colonial era that should be tossed into the dustbin of history."

U.N. Development Program representative Natarajan Ramathan argued that "the three countries of Indochina," while undoubtedly possessing unique characteristics, nevertheless "make up a distinct subregion of Southeast Asia with shared history, culture, geography, ethnic groups and a recent war-torn past out of which they are beginning to emerge." He further noted that all three "are least-developed countries with low per capita incomes, have similar forms of government and have followed similar economic paths which they are now trying to redirect."

Cambodia's Rangsi took exception to that argument, saying that unlike Vietnam and Laos, Cambodia is an up-and-coming free-market democracy painstakingly ridding itself of not only economic, but also political structures inherited from the previous Vietnamese-installed Communist Government.

World Bank delegate Khalid Ikram also adopted a critical view, saying that while all three countries indeed face several common problems, "the idea of adopting a common development approach for an entity described as 'Indochina' is a little artificial, perhaps even procrustean."

"We must not forget that the three countries show major differences in population, in size, in political evolution, in economic structure, in the degree of development of their human resources, and in the strength of their institutions," he said.

Clearly sensitive to the issue, the Economic and Social Commission for Asia and the Pacific (ESCAP) said its usage of the term "Indochina" was "purely for the sake of convenience and does not imply that Indochina is a cohesive group or a recognized political entity."

Rangsi, for his part, adopted a generous interpretation of "Indochina." Suggesting the region includes such countries as Myanmar [Burma] and Thailand, he said, "literally it means the region between India and China. So the three countries of Cambodia, Laos and Vietnam are only a part of Indochina."

Asian Political Parties Sign Cooperation Accord

BK1212073093 Bangkok Army Television Channel 5 in Thai 1200 GMT 11 Dec 93

[Text] Six Asian political parties have signed a manifesto to set up a democratic and liberal congress of Asia. The signing took place today at the closing of the meeting of democratic and liberal parties of Thailand, Taiwan, the Philippines, Cambodia, Malaysia, and South Korea. House Speaker Marut Bunnak represented Thailand at the ceremony. Surin Phitsuwan, Thailand's deputy foreign minister and also an executive member of the Democrat Party, was elected the first chairman of the congress of the six Asian political parties. Under the manifesto signed, the parties agreed to coordinate political activities among their leaders, exchange political ideas, and promote leadership training, with a view to promote cooperation among political parties with democratic ideologies in Asia.

Japan

Conditions of GATT Tariff Agreement Viewed

OW1412122693 Tokyo KYODO in English 1211 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The Uruguay Round trade accord under the General Agreement on Tariffs and Trade (GATT) calls for Japan to replace import barriers with tariffs on about 20 farm items, except rice, government officials said Tuesday [14 December]. The agreement is expected to be finalized by the policy-making trade negotiations committee of the Geneva-based world trade body at its meeting scheduled for Wednesday, they said.

The farm products subject to the tariffication scheme includes dairy products, wheat and starch, they said.

Japan is allowed to impose high tariffs on imports which exceed the present level but required to cut the rates by 15 percent over a six-year period, the officials said.

As for butter, skimmed-milk-based products, wheat and raw silk, government agencies concerned will control their imports according to relevant laws, the officials said. Importers of these products will be allowed to import as much as they want, provided they pay high tariffs, they said.

The officials said the existing tariff exemption system to protect domestic producers of starch will remain in force for imports of corn for the manufacturer of corn starch.

Under the system, the producers are exempted from tariffs if they purchase a certain amount of domestically grown corn when they import corn to make starch.

The GATT agreement calls for tariff reductions averaging 36 percent for about 1,500 farm and processed farm products.

As for mining and industrial products, Japan will nearly halve tariffs on them in five years under a bilateral agreement with the United States.

Japan will be allowed to maintain import quotas for eight items of marine products, including mackerel, but tariff rates on these products will be lowered by about 33 percent, the officials said.

New Tariff Cuts Offered

OW1412033193 Tokyo KYODO in English 0315 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Japan on Tuesday [14 December] submitted documents to the GATT Secretariat, offering tariff cuts on a wide range of products, the Foreign Ministry said.

The documents filed with the General Agreement on Tariffs and Trade (GATT) comprised a list of commitments related to farm produce and a schedule of concessions for forestry and fisheries products, as an addendum to a similar schedule for industrial products submitted earlier.

The documents meet the GATT targets of cutting tariffs on farm produce by a simple average of 36 percent and those on forestry and fisheries products by 50 percent and 33 percent respectively, both on a weighted average basis.

SDPJ Gives 'Go-Ahead' To Open Rice Market

OW1312171693 Tokyo KYODO in English 1642 GMT 13 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The largest party in Japan's ruling coalition, the Social Democratic Party [SDPJ], signaled the go-ahead for Prime Minister Morihiro Hosokawa's decision to partially open Japan's rice market early Tuesday [14 December], party sources said. The SDPJ took the decision at a meeting in the early hours of Tuesday of its leadership body, the Central Executive Committee.

The sources quoted the committee as saying the SDPJ is opposed to a GATT compromise proposal on the partial opening of Japan's rice market, but it has no choice but to abide by Hosokawa's decision.

Hosokawa Announces Approval of Rice Opening

OW1312234593 Tokyo NHK General Television Network in Japanese 1852 GMT 13 Dec 93

[Statement by Prime Minister Morihiro Hosokawa at news conference held at the prime minister's official residence—live]

[Text] Today, I officially decided to accept the final proposal regarding the GATT Uruguay Round negotiations. Obtaining approval from the cabinet meeting, I have issued an instruction to inform the GATT accordingly. Here, I would like to explain how negotiations proceeded, why I have made the decision, and our nation's basic policy on agriculture to seek the understanding of the farmers and the people.

Seven years have passed since the GATT Uruguay Round of trade talks started. It is no exaggeration to say that the key to the fate of the free trade system and the world economy is the successful conclusion of the Uruguay Round. In fact, 115 nations and regions, which have their own positions, have been conducting severe trade negotiations to solve various problems facing world trade in 15 trade areas. In the field of agriculture, which is one of the 15 areas, trade rules on agriculture have not always been satisfactory under GATT in comparison with regulations on industrial goods transactions. However, with the conclusion of the Uruguay Round of talks, full-fledged international rules are about to be established for the first time. From the standpoint as the world's largest importer of food, Japan, in the negotiations, has stressed how agriculture has contributed to ensuring the security of food and protecting the environment and has emphasized the need to apply brakes to agricultural subsidies, which have been regarded as a cause of distorted world trade on agricultural products. In addition, our nation has made all-out efforts to dodge the idea of replacing restriction on import of agriculture goods with tariffication, namely comprehensive tariffication.

As far as rice is concerned, the history of rice is Japan's history. A well-irrigated rice paddy and well-ripened grains of rice, like cherry blossoms, have been the symbol of Japan since ancient times, and rice farming has greatly contributed to preserving national land and environment. Thus, the people have a special feeling toward rice. In light of the fact that resolutions on self-sufficiency of rice have been adopted at the Diet three times, we have done our utmost to have rice exempted from comprehensive tariffication. In the process of the negotiations, the people's support has encouraged the government and helped assert its position. However, entering the final stage of the negotiations, the international community is moving toward accepting comprehensive tariffication as an important principle in agricultural trade. Given such a situation, GATT, taking into consideration Japan's position on rice, worked out and presented the final draft agreement the other day.

The contents of this coordination proposal are as follows. Regarding rice, we can avoid tariffication for six years starting in 1995. In return for that, however, we have to accept the so-called minimum access to import foreign-grown rice equivalent from 4 to 8 percent of [annual] domestic rice consumption. On whether or not we will maintain this special measure after the six-year period, we can renegotiate during the sixth year. At that time, we have to negotiate on a certain amount of additional compensation [daisho] too. Moreover, I am sorry to say that we will also be accepting tariffication of other [agricultural] products, whose imports have been restricted. All of our pleas were not accepted by this coordination proposal. However, this is the proposal the GATT executive office, which plays the role of coordinating opinions, prepared as a final and greatest common divisor-like proposal after carefully listening to opinions of GATT-member nations, which confront each other. A certain extent of the fundamental ideas which Japan has been tenaciously insisting on are incorporated in this proposal. We were forced to make a hard decision on whether or not we would accept the proposal.

During the course of making a decision, Japan had the following three choices: The first was to refuse the proposal and continue to oppose the comprehensive tariffication by submitting another coordination proposal. The second was to unconditionally accept the comprehensive tariffication on [agricultural] goods, including rice, by going back to the principle of the agricultural agreement. The third was to successfully conclude the Uruguay Round and, at the same time, to accept the proposal as the very limit of our compromise to secure our country's stance as much as possible.

Regarding the first choice, virtually no other countries, judging from the actual situation of the negotiations, would agree with us even if we submitted another revision. Therefore, it was obvious that we could not select this choice. The second choice would create serious consequences to Japan's agriculture and would endanger its existence. There was no way that we could select this choice. Uruguay Round would collapse if Japan did not accept the proposal although the general tendency of the world was to accept the proposal. Refusing to accept the proposal will put us under international criticism. It will also urge each country to adopt protectionism. Under such a circumstances, it is certain that the foundation of our country's economy will be jeopardized. Moreover, concerned countries would force us at GATT meetings and bilateral discussions to accept more severe conditions regarding Japan's import restrictions on agricultural products. As a result of a comprehensive decision by taking the aforementioned several points into consideration, I have decided, on my own responsibility, to accept the third choice for future national interests.

Like you, I am very fond of rice and agriculture too. Although it is a partial liberalization, it is extremely painful to me to pave the way for rice imports. I felt my heart would break when I made the decision.

Truly, I do not know what excuses to make for failing to carry out our nation's long-cherished assertions in full, and for failing to insist on the theory of maintaining self-sufficiency in the rice supply at home.

Now, what I would like you to recall here are the facts that our people have miracurously succeeded in rebuilding our country from among the ruins of the postwar years; that our country has now come to possess the foremost economic capabilities in the world; that what lies behind this remarkable rehabilitation is the framework of free trade, which is the GATT's objective; and that the interests and favors that our country have obtained from this framework are immeasurable.

Under such circumstances and not only for our own sake but for the world's sake, our country is bound to bear a special responsibility of never allowing the Uruguay Round talks to end in failure. Moreover, we must also recall that it was none other than our country that advocated the Uruguay Round of talks seven years ago. In this context, Japan is not allowed to take actions which might lead the Uruguay Round of talks to failure. And I am all the more convinced that amid the worldwide and simultaneous depressions today, the success at the Uruguay Round is probably the only trump card left in the 20th century for opening up bright prospects for the global economy.

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And this is precisely the reason why each of the 116 countries and regions has staked the peace and prosperity of the whole world [on the success of the talks] by sparing no pains while sharing all the pains. I believe Japan can secure its prosperity only when the world is at peace and prosperous.

Truly, when I made this final decision, I was filled with anguish. With regard to the development of the talks that have led to this result, I am not in a position to give you a report in detail because the processes involve diplomatic negotiations, and this must have caused you anxiety. For this, I express my sincerest apologies.

However, I am solidly convinced that the day will surely come when you will appraise this decision as certainly not a mistake when the future of both Japan and the world is taken into consideration.

For this purpose, from now on, I promise that the government intends to do its best to deal with problems at home so as to minimize the influence the partial import of rice or tariffication on dairy and starch products may impose on farmers and to realize a bright future for Japanese farmers by improving Japan's agriculture.

Taking advantage of this opportunity and for the purpose of opening up bright prospects for Japanese agriculture, which is now faced with a difficulty in securing successors [who are willing to engage in agriculture], the ruling coalition parties, the advisory council on agricultural administration, and other organs will hold numerous discussions to work out drastic programs for achieving a rebirth in agriculture.

In other words, to enable farmers to engage in production work with peace of mind, the government will do its utmost to strengthen the nature of agriculture by taking various measures to ensure the supply and demand of agricultural products, including rice, stabilize their prices, and improve foundation for production as well as conditions in operation. And the government will also pay sufficient attention to revitalization of mountainous and valley areas that are located in unfavorable situations to prevent any devastation, even in the slightest degree, in farming villages. And for the sake of consumers, the government is also determined to make utmost efforts to ensure a steady supply of foodstuffs.

The pains we are suffering now are the throes of Japan's becoming a country that is truly open to the world. I feel that rather than imposing such pains on farmers alone who are already put in a rigid situation now, each and all of us should understand and share such pains. Once again, I seek your understanding. Thank you very much.

Answers Reporters' Questions

OW1412060393 Tokyo NHK General Television Network in Japanese 1906 GMT 13 Dec 93

[Question-and-answer session of news conference following Prime Minister Morihiro Hosokawa's statement on opening the rice market, at the prime minister's official residence—live]

[Text] [Dean of the press corps] Mr. Prime Minister, please let us begin a question-and-answer session which will last about 15 minutes. First, I will ask you two questions, and then other reporters will ask questions freely. At the beginning, I will ask you about the GATT compromise plan which Japan has now declared to accept. After the outline of the compromise plan was indicated, the article on additional compromises was revealed. This caused confusion in coordination between the ruling and opposition parties as well as within the ruling coalition parties, and this also created distrust among people. What do you think of that?

[Hosokawa] I wish I could have given a more sufficient explanation. I am very sorry that the confusion was created. However, the proposal itself was not conclusive when we announced its outline. Because such a proposal itself, in principle, should not be made public, we had to gain the consent from the Secretariat before announcing the outline. I would like you to understand that situation.

[Dean of the Press Corps] The Social Democratic Party of Japan [SDPJ] was forced to make a difficult decision, and as a result, it has overcome opposition within the party. How do you think this will affect efforts to maintain the coalition administration in the future?

[Hosokawa] Regarding agricultural issues, especially rice, each party, as well as the SDPJ, had to make a formidable decision. In particular, there were reportedly very heated arguments within the SDPJ, the biggest ruling party. From its position as the biggest ruling party that has to support the ruling coalition administration, the party has come to its decision as you know. In the talks of government and ruling parties leaders as well as at the cabinet meeting afterward, we agreed that although we had to make a difficult decision, we would take this opportunity to cooperate in opening up a new prospect for agriculture.

[Unidentified reporter] Earlier, you mentioned the diplomatic negotiations. I think that based on Japan-U.S. negotiations, or maybe we can say the accord between Japan and the United States, the government has come to the current decision on the compromise plan. Taking into consideration the fact that you stressed the need for people-oriented politics before becoming prime minister, I think you should have given a more honest explanation to the people in an easier way to understand. What do you think of that?

[Hosokawa] Such a question was raised many times at the Diet session. I well understand that many people hold such a feeling. As I stated earlier, I was eager to explain the process of the diplomatic negotiations to the people. However, because the multilateral negotiations being participated in by 116 nations are very complicated, if their process is revealed in advance, it is impossible to come to a conclusion. Because the negotiations are very delicate, I could not state what I wanted to explain. Although you probably think we were engaged in secret, behind-the-scenes negotiations, we were making efforts in the negotiations, which are complicated far beyond bilateral negotiations. Moreover, we have to conclude the negotiations at this time after seven years since their start, and if the negotiations are ruptured, this will cause very serious damage to the world economy. For this reason, we were very cautious in proceeding with the negotiations. If you say our explanation was insufficient, maybe you are right. However, I would like you to understand the extremely difficult position of the government which is engaged in the negotiations.

[Unidentified reporter] With regard to the reasons for accepting the proposal, Mr. Prime Minister, you have just explained in detail that it involves the free trade system. In accepting the proposal this time, do you think there are positive impacts, such as promotion of agricultural reform, on farmers. If you do, we would like to hear the reasons.

[Hosokawa] Needless to say, we would be placed in severe circumstances at home and abroad [if we did not accept the proposal]. However, we have to introduce prudent measures not to create uncertainty and confusion among farmers. With this goal in mind, I intend to establish and head an agricultural and farming area headquarters to devote myself fully to advancing the government agricultural policy from now on.

As you just mentioned, it is true that in promoting the new agricultural policy, it will be necessary to carry out structural reform, and needless to say, we will meet with various difficulties. However, no new prospects will be opened up unless we are able to overcome these difficulties somehow or other. In this context, I have just stated that rather than imposing such pains on farmers alone, each and all of our people should share such pains in an extensive way and make joint efforts to build up new and hopeful agriculture.

[Unidentified reporter] In connection with the same rice issue, President Kim of our neighbor, the ROK, held a news conference without delay to express his apologies to the people. But later on, insisting on making further efforts, he sent the agriculture minister to Geneva at around the same time [that Japanese Foreign Minister Tsutomu Hata was sent].

In viewing this development, I had, as a Korean, an impression that we were cheated. And I believe many people have the same impression. What do you think of it, Mr. Prime Minister, despite the fact that Japan seems to have fallen far behind [in making the decision]?

[Hosokawa] I do not think that the ROK has made its decision at this point. I do not know about further development. Maybe, some decision has been made since the start of this news conference. Based on the report I had from Geneva before I came into this conference room, I had not heard any such decision. In my opinion, it is an issue on which the decision will have to be made by the ROK leadership, including President Kim. However, I think that on the last occasion, President Kim intended to express his decision to move forward in this orientation. And as I have just explained, I have no idea as to what final decision will be made or in what form.

[Unidentified reporter] Some people claim that since your decision runs counter to the resolutions previously passed in the Diet and the agreement among the eight ruling coalition parties, you have lied. What do you say to this?

[Hosokawa] As I have said repeatedly during Diet deliberations, due respect has been paid to the Diet resolutions. The results of our maximum efforts are reflected in the proposal. I understand that fundamentally and generally speaking, the proposal is in line with the Diet resolution. I am sure this is also true for the ROK, after all, only Japan and the ROK have been able to clear the formidable hurdle of tariffication without exception. While it is true that we had to accept minimum access and make concessions on tariffs on other agricultural products, I still think this compromise plan is an achievement.

[Unidentified reporter] There are people who say that this decision amounts to virtual acceptance of tariffication, while the government claims that nothing has been decided yet from the seventh year. For the farmers, it would be impossible to make long-term plans for agriculture if they do not know what is going to happen from the seventh year onward. I believe you ought to inform the public of the impression you got from the negotiation process on what is going to happen after six years.

[Hosokawa] Fundamentally, I am not thinking about accepting tariffication after the seventh year. Under the circumstances, we would like to take all the necessary measures to build a dynamic agriculture and vigorous rural villages.

[Unidentified reporter] When the Labor Party first came into power in Great Britain, a key issue was whether the bureaucracy would function properly. Then, the bureaucracy worked adequately, and this gave a good reputation to the bureaucratic structure. In connection with the additional compromise from the seventh year [contained in the rice compromise plan], you said that you were not informed. People who were involved with the former administration are all saying that would have been inconceivable during their time. Don't you think this is a very serious matter for the current political authorities?

[Hosokawa] I was asked the same question a while ago. With regard to this point, by common sense, it would have been improbable that there would be no conditions at all from the seventh year, and that we could start from zero after six years. As I explained earlier, indeed, we performed inadequately in informing the public. I apologize for causing much concern. However, I think all the officials actually involved in negotiations in the field and members of the bureaucracy have worked very hard. I greatly appreciate their work.

You may still have questions about the cabinet meeting earlier this morning, but the two ministers have to go back to the press clubs of their respective ministries to hold news conferences. May I end my news conference now? I am giving the floor to the chief cabinet secretary.

[Hosokawa talking to Takemura] If you have anything... [talking to audience] Is there anything else? [pauses] Thank you very much.

LDP President Kono Delivers Statement 13 Dec

OW1412062093 Tokyo NHK General Television Network in Japanese 1930 GMT 13 Dec 93

[Statement by Liberal Democratic Party President Yohei Kono at a news conference at the party headquarters in Tokyo—live]

[Text] May I? Thank you for working this late hour. First, let me read the party's statement:

The government has decided to accept the compromise plan presented by Chairman Denis for the GATT agricultural negotiations. Needless to say, the government's role in relation to the people's food consists of maintaining a system for supplying the people with adequate and good-quality foodstuffs in this country under whatever circumstances. Our party has continued to point out the unfairness of the Dunkel draft for the final Uruguay Round agreement since its publication. The Hosokawa administration's response to the all important compromise plan, which affects the security of our country, has been extremely inadequate and incomprehensible. In particular, we have to say that the government clearly violated the Diet resolutions by accepting a minimum access rate even higher than what was provided in the Dunkel proposal, opening the way to an expansion of imports of rice and dairy products, in response to the unrealistic proposal of tariffication without exception in the agricultural sector, while in fact, very realistic measures, such as allowing exceptions, have been taken in other sectors.

This decision makes Japan dependent on foreign countries for the supply of not only rice, but also for dairy products and other vital crops. This will devastate Japan's agriculture, as well as endanger the conservation of the national territory and the natural environment. It will give rise to such problems as an increase in unsafe foodstuffs.

Furthermore, the overall Uruguay Round final agreement has not been made public at this point. It remains unclear how far Japan's proposals on the multilateral trade organization, antidumping, the financial market, shipping, and other issues will be incorporated. It is totally incomprehensible why the decision to accept the Denis compromise plan, which is but a part of the total agreement, has to be made at this time.

Of course, the LDP does not deny the importance of maintaining the world's free trade system, because Japan has been a beneficiary of the system. But we cannot accept the GATT compromise plan, because we see many problems in the plan, and we cannot accept this under a situation where we are not able to take a position yet on the overall final agreement. The LDP strongly impeaches the Hosokawa cabinet for its decision to accept such an unfair compromise plan.

That was the party's statement.

The Hosokawa administration's final decision on this issue was the result of negotiations carried out by a handful of cabinet ministers and officials. This should be clear from the fact that the Social Democratic Party of Japan [SDPJ] was not able to decide on a position up to the last minute, and that it held discussions for 12 hours, which ended just a while ago. Furthermore, during the final phase of negotiations, only a small number of officials in the field knew what was going on. The fact that politicians, who ought to assume the responsibilities and make the decision on this issue, did not even know the substance of negotiations cannot but make us feel that the Hosokawa Cabinet's response was indeed unfortunate.

The negotiation process was a serious betrayal of the legislature, the people, and especially the farmers. The people and farmers have a strong feeling that they have been deceived and lied to by the government. I think this feeling stems from an unclear process of how the government reached the final decision. The LDP has stated time and again that such a decision would be absolutely unacceptable, yet the cabinet has made the decision. I declare that the LDP intends to continue to do whatever is in its power from now on.

Answers Reporters' Questions

OW1412112493 Tokyo NHK General Television Network in Japanese 1938 GMT 13 Dec 93

[Question-and-answer session at the news conference held by Liberal Democratic Party President Yohei Kono at party headquarters in Tokyo—live]

[Text] [Unidentified correspondent] At Hosokawa's news conference a little while ago, the prime minister asserted that the government decision on the GATT compromise plan was necessary in order to maintain free trade, and that the spirit of the Diet resolutions regarding rice was reflected within the compromise plan. Is the prime minister's explanation or apology acceptable?

[Kono] I do not think the spirit of the Diet resolutions, which were adopted three times by both the House of Representatives and the House of Councillors, is reflected in the compromise plan. Is it forgivable for the government decision to neglect these resolutions in such a manner? Furthermore, though we repeatedly questioned the government at Diet plenary sessions and sessions of the Diet committees concerning the Diet's resolutions on rice and the importance of these resolutions, the government continuously maintained until the last moment that it respected the Diet's resolutions. For this reason, we are by no means satisfied with the prime minister's explanation.

[Unidentified correspondent] You stated that from now on your party would take whatever measures it could. At the LDP's general meeting of lower and upper house members, there reportedly was the opinion that a no-confidence motion should be submitted. What action do you intend to take until the current Diet session comes to an end?

[Kono] As I stated earlier, during the decisionmaking process the government's explanation about the negotiations—especially to farmers or consumers who have great interest in the rice issue—was very inconsistent. There was no transparency in the decisionmaking process. Without sufficient explanations, the government announced its decision. Cabinet members concerned with this issue bear heavy responsibility. The people's distrust in politics—especially the farmers' sense of distrust in those cabinet members engaged in the negotiations—is extremely strong. I believe consumers are very concerned over imported food because of its quality and the stable supply. The government has failed to offer an acceptable explanation to dispel their apprehensions, or its explanation has changed repeatedly. Such an attitude has caused the people great concern and created distrust in politics. Government negotiations were sufficient. Taking these circumstances into consideration, I feel the responsibility of relevant ministers is heavy, and we should call on them to take responsibility. As you mentioned, there is not much time left in the current Diet session. We intend to do whatever we can during the short time the Diet remains in session. From now on, LDP party members intend to meet and discuss concrete measures.

[Unidentified correspondent] Allow me to ask another question. As you said, we must respect the Diet's resolutions. On the other hand, as Hosokawa has repeatedly stressed, Japan had to do something to safeguard the free trade system in view of the stagnant world economy. Considering such circumstances, there is the opinion that even if the LDP had been the ruling party, there would have been no other choice regarding the issue. It probably is of no use to discuss this, but could you tell me what would have been the possible options if the LDP had been in charge of the negotiations?

[Kono] I cannot help but object to the fact that the conclusion has been reached through bilateral negotiations. It appears the Uruguay Round is going to be concluded on a bilateral basis between Japan and the United States. Such a move makes the negotiating process invisible and unreasonable. Ever since the former Miyazawa administration, the LDP has been saying the final points of dispute in the Uruguay Round must be settled through multilateral talks, not bilateral negotiations between specific countries. If we had been in charge of the negotiations, we would have certainly dealt with the issue in an appropriate manner.

As a matter of fact, I do not intend to deny the necessity to protect the free trade system. However, I strongly feel the conclusion they reached makes light of the worldwide population problem expected in the future. The world population is rapidly growing annually. It is uncertain if the negotiators gave the appropriate consideration to food supplies for the future. Thus, I am concerned about their conclusion.

[Unidentified correspondent] In connection with the LDP's future course of action, you have said the primary responsibility for the decision lies with the cabinet ministers. How do you feel about the responsibility of the prime minister and his cabinet?

[Kono] Of course the prime minister has responsibility as the top official in charge of this issue. You cannot say the prime minister bears no responsibility for the decision. But what we have to consider first are the responsibilities of the cabinet ministers concerned.

[Unidentified correspondent] What do the ministers concerned actually mean? The agriculture and foreign ministers?

[Kono] Yes. Negotiations on the free trade system were supposed to place greater emphasis on the fairness of the system. If we are working out a new free trade system, it must be equal to both exporting and importing nations. The Japanese negotiators did not make appropriate claims on that point.

[Unidentified moderator] Any more questions? No?

[Kono] Thank you very much.

Denounces Hosokawa for Decision

OW1312200393 Tokyo KYODO in English 1945 GMT 13 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Opposition leader Yohei Kono denounced the cabinet of Prime Minister Morihiro Hosokawa early Tuesday [14 December] for its decision to partially open Japan's rice market. The cabinet decision apparently runs counter to past Diet resolutions that called for maintaining self-sufficiency in rice, said Kono, president of the Liberal Democratic Party. The opening of Japan's rice market may lead to destruction of Japanese agriculture and damage to the environment, Kono said.

'Main Points' of Government Decision on Rice

OW1312190593 Tokyo KYODO in English 1854 GMT 13 Dec 93

[Text] Tokyo, dec. 14 KYODO—Following are the main points of the government's decision to accept the agricultural proposal on the opening of the rice market from the General Agreement on Tariffs and Trade (GATT).

—Agreeing to allowing "minimum access" to imports of between 4 and 8 percent of domestic rice consumption during a six-year grace period under GATT's tariffication scheme.

—Accepting tariffication on some 20 products such as dairy goods and wheat whose imports have been restricted.

—Setting up a new task force headed by Prime Minister Morihiro Hosokawa to consider boosting countermeasures for domestic farming.

—Considering a revision of related laws including the foodstuff control law.

Reaction to Rice Market Liberalization Reported

Hata Says Decision 'Inevitable'

OW1412004993 Tokyo KYODO in English 0014 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Foreign Minister Tsutomu Hata emphasized Tuesday [14 December] the government's decision to partially open the long-protected rice market was inevitable, given Japan's status as a major trading power in the world.

Hata told a press conference, held after the special cabinet meeting decided to lift the blanket ban on rice imports early Tuesday, that Japan, as a trading power, has to make every possible effort to help achieve a successful conclusion to the Uruguay Round of global trade talks. "It was inevitable for us to accept (the compromise farm trade proposal for a final round pact)," he said.

Under the compromise proposal tabled at the round talks, sponsored by the General Agreement on Tariffs and Trade (GATT), Japan is required to import a "minimum access" volume of foreign rice during the six years from 1995.

The original text for a draft pact calls for "tariffication without exception," under which Japan has to replace its rice import ban with tariffs immediately.

Hata gave what he called "a passing mark" to the government's efforts, which helped avoid tariffication. Noting rice has been "a taboo which cannot be openly discussed," the foreign minister also called for more candid debate on the matter in the future.

LDP Plans No-Confidence Measure

OW1412090993 Tokyo NHK General Television Network in Japanese 0307 GMT 14 Dec 93

[Announcer-read report; from "NHK News" program]

[Text] Claiming the coalition government's acceptance of the GATT compromise proposal calling for a partial opening of the Japanese rice market constitutes a violation of the Diet resolutions, the opposition Liberal Democratic Party [LDP] decided to introduce a no-confidence measure in the Diet against Foreign Minister Tsutomu Hata and Agriculture, Forestry, and Fisheries Minister Eijiro Hata. The decision was made at today's meeting of LDP executives.

During the meeting, LDP Secretary General Mori said: The coalition government's decision to partially open the Japanese rice market runs counter to the Diet resolutions and defies the Diet. We need to seek the responsibility of the coalition government.

The meeting agreed to allow President Kono and four executives to decide when to introduce the no-confidence measure to the Diet.

Agricultural 'Historic Milestone'

OW1312192793 Tokyo KYODO in English 1906 GMT 13 Dec 93

[Excerpts] Tokyo, Dec. 14 KYODO—Japan formally accepted a GATT proposal Tuesday [14 December] morning that calls for opening the country's long-protected rice market to imports. The coalition government of Prime Minister Morihiro Hosokawa reached the decision in a special cabinet meeting early Tuesday morning, just two days before the deadline for the completion of the Uruguay Round global trade agreement. The acceptance of the GATT proposal paves the way for partially opening Japan's rice market in 1995 after ratification by the Diet, marking a historic milestone for Japanese agriculture.

Foreign Minister Tsutomu Hata briefed the cabinet on Japan's final decision to accept the General Agreement on Tariffs and Trade (GATT) proposal offered by Germain Denis, head of a market-access negotiating panel, and the 20 ministers attending all agreed, officials said.

Hata, concurrently deputy prime minister, returned to Tokyo on Monday morning from his hasty weekend trip to GATT headquarters in Geneva, where he made a vain last-ditch attempt to wring concessions from the world trade body.

Hosokawa held a news conference immediately after the cabinet session. [passage omitted]

Numerous rows over the issue, however, left Japan's seven-party coalition in a disarray in the face of outbursts from the main opposition Liberal Democratic Party and concerns of the largest party in the ruling coalition, the Social Democratic Party (SDPJ).

Both the LDP and the SDPJ have many legislators elected from farming constituencies, where rice growers have expressed strong opposition to the partial opening of the rice market, saying it would devastate their livelihoods.

With the current Diet session drawing to an end on Wednesday, coincidentally the same as the deadline of GATT talks, the seven parties in the ruling coalition will have a hard time including a fierce debate with the opposition camp, to decide on whether to extend the Diet session pending the enactment of political reform bills, the sources said.

Since launching the coalition administration in August by ousting the LDP from its 38 years in power, Hosokawa has staked his jobs on legislating political reform bills during the current Diet session. The government's package of four political reform bills is now in the House of Councillors for further discussion following its passage through the more powerful House of Representatives in November.

The reform bills are aimed at replacing the lower house's current multiseat electoral system with a combination of single-seat districts and proportional representation, as well as tightening curbs on political funding. The package is designed to stamp out corruption that has occurred under the current electoral and political funding systems.

Business Community Welcomes Opening

OW1312191593 Tokyo KYODO in English 1901 GMT 13 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The business community welcomed a government decision Tuesday [14 December] to open Japan's rice market to imports but few firms expressed eagerness to distribute foreign rice.

"Japan has been able to discharge its responsibility for the conclusion of the Uruguay Round trade negotiations," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), commenting on a cabinet decision to give imports minimum access to the domestic rice market.

A major supermarket chain operator also welcomed the government decision but said it wants to make a careful study before deciding whether to sell imported rice. "We have to review the consumer response to imported rice," a company official said.

Yoshinoya D and C Co., a major fast food restaurant chain operator, said it will be possible to cut prices if stable supplies of low priced imported rice are assured.

Trading houses, which handle rice imports on behalf of the government, expect the market to be opened after a six-year grace period ending in the year 2000. Their profits from rice imports have so far been limited since the transactions remain under government control. The traders said they want to see the direction of the government's agricultural policy before they decide whether to enter the rice market.

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, called on the government to lay down a clear-cut program to strengthen competitiveness of agricultural products on the international market.

Masaru Hayami, head of the Japan Association of Corporate Executives (Keizai Doyukai), called for relief measures for domestic farmers.

'Dissatisifaction' With System

OW1412011693 Tokyo KYODO in English 2302 GMT 13 Dec 93

[Text] Tokyo, Dec. 14 KYODO—An official of a U.S.-owned grain dealer, commenting on the government decision Tuesday [14 December] to partially open Japan's rice market, expressed dissatisfaction at the Food Agency system of importing rice through 20 designated dealers. The official, with Cargill North Asia Ltd., the Japanese unit of Cargill Inc., said the company would handle rice imports more smoothly than designated Japanese companies, if given a chance.

An official of another nondesignated company said the Food Agency is shutting out nonregistered companies from the market on the grounds of their alleged lack of experience.

The designated companies are mostly major trading companies such as Mitsubishi Corp., Mitsui and Co. and Nissho Iwai Corp.

Despite the criticism, the Food Agency plans to maintain the system after Japan partially opens the rice market, agency officials said.

The companies are already handling emergency imports of rice on behalf of the government to deal with a poor rice crop this year.

Agricultural Laws Revision Viewed

OW1412113293 Tokyo KYODO in English 1103 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The government started preparations Tuesday [14 December] for revising relevant agriculture laws, following its formal decision to accept a partial opening of its rice market with a view to implementing an agreement of the Uruguay Round of global trade talks, officials said.

Tokyo's about-face policy change scrapping its long-protected rice import ban will require the Foodstuff Control Law, which has effectively prohibited rice imports since it was enacted in 1942 to cope with the wartime food shortage, to undergo various changes.

The GATT-sponsored Uruguay Round is expected to reach a general accord Wednesday which will take effect from January 1995, after a signing ceremony scheduled for April 1994 in Marrakech, Morocco.

Japan will implement the agreement as from fiscal 1995, which starts April 1995, the officials said. To this end, the government is expected to ratify the agreement and revise the relevant laws at an extraordinary Diet session following an ordinary session in 1994, they said.

The government will include a basic plan to deal with the supply and demand of grain for the period from November 1994 through October 1995, about 400,000 tons of foreign rice which will be imported in line with "minimum access" opportunities in fiscal 1995, they said.

Also, Japan is to cut domestic support measures for agricultural products by 20 percent over the next six years in accordance with the agreement.

Accordingly, Tokyo will decide on new prices for raw milk for processing in March 1995, after smaller subsidies to producers have been introduced.

Farmers: Move 'Totally Unacceptable'

OW1412005293 Tokyo KYODO in English 0006 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The leader of Japan's farming industry on Tuesday [14 December] blasted the latest government decision on partial rice market opening as "totally unacceptable" for farm growers. The decision is far from the position farmers had sought since the launch of the Uruguay Round global trade talks seven years ago, Yoshiharu Sato, head of the Central Union of Agricultural Cooperatives (Zenchu), told a press conference.

The government of Prime Minister Morihiro Hosokawa made an about-face policy change and this represents a double standard by Hosokawa, Sato said, adding that all his cabinet members should resign immediately.

The cooperative will, from now on, stop supporting those politicians who stood in favor of rice market opening, he said.

The press conference was held immediately after Prime Minister Hosokawa made a historic announcement, marking the end of Japan's half-century ban on rice imports, in the small hours of Tuesday.

Tokyo accepted without modification a proposal recently made by the General Agreement on Tariffs and Trade (GATT), which calls for Japan to open 4 percent to 8 percent of its domestic rice market as the minimum access for imports, while giving a six-year moratorium for replacing all import restrictions with tariffs.

The proposal requires Japan to make additional concessions in order for the special treatment to be extended beyond the sixth year.

Sato said he understands Japan has virtually accepted tariffication of its rice market from the seventh year. "Who can say Japan has preserved its national interest?"

The farm industry will seek the government's financial support to make up for possible losses facing farmers under rice market liberalization, Sato said.

MOF To Increase Farmers' Support

OW1412085193 Tokyo KYODO in English 0823 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The Ministry of Finance (MOF) has decided to increase support for farmers to cope with the opening of Japan's rice market under the Uruguay Round global trade accord, ministry officials said Tuesday [14 December].

Measures under review for inclusion in the fiscal 1994 budget incorporate providing low interest loans to rice growers willing to boost productivity and strengthen international competitiveness, the officials said. An existing standard subsidy for farming households will be scaled down, putting the emphasis on helping large-scale farming households, they said.

They said two separate funds, designed to improve agricultural management and strengthen the infrastructure, will be established to provide both short and long-term operating funds for productive farmers. The funds will contribute to the promotion of a new agricultural policy formulated by the Ministry of Agriculture, Forestry and Fisheries to bolster domestic agriculture toward the 21st century, the officials said. The policy is aimed at expanding the scale of Japanese agriculture to boost its international competitiveness.

Food Agency on Imported Rice Use

OW1412120693 Tokyo KYODO in English 1127 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Rice imported from fiscal 1995 following the partial opening of Japan's rice market may mainly be used for processed products, the Food Agency chief said Tuesday [14 December].

Toshihiko Tsuruoka, director general of the agency, made the remark at a Budget Committee meeting of the House of Councillors. Tsuruoka said Japan has to handle imported rice and domestic rice equally, under a policy of the General Agreement on Tariffs and Trade (GATT). The policy advocates there should be no discrimination between imports and domestic products.

Japan imports over 100,000 tons of cooked rice a year, while annual demand for processed rice stands at 1.4 million tons. Tsuruoka said the agency was examining the possibility of using the imported rice to make up the demand. Japanese farmers tend to avoid producing rice for processed food, as the price is relatively low.

Farm Minister Defends Opening

OW1312235593 Tokyo KYODO in English 2313 GMT 13 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Agriculture, Forestry and Fisheries Minister Eijiro Hata on Tuesday [14 December] defended Japan's decision to partially open its rice market, saying the GATT proposal reflects Japan's stance on the rice issue "to some extent."

Speaking before an early morning press conference, Hata described Tokyo's acceptance of the GATT proposal as "very severe" for farmers. But he also said the proposal has confirmed Japan will basically continue to enjoy immunity from the shift to tariffication even beyond the stated six-year grace period.

The GATT proposal, presented by Germain Denis, market-access negotiation group chairman of the Uruguay Round trade talks under the General Agreement on Tariffs and Trade, calls for Japan to open 4 percent to 8 percent of its domestic rice market as a minimum level of access for imports from 1995, for a grace period prior to tariffication.

Hata said Japan was able to score "some fruitful results" in Uruguay Round farm trade talks, having received exceptional treatment under the tariffication scheme, which calls for the conversion of all nontariff trade barriers into tariffs without exception.

Hata said Prime Minister Morihiro Hosokawa made "a painful decision" on the rice issue in order to preserve Japan's national interests under the global free trading system. Rice imports of 400,000 to 800,000 tons under the minimum access requirement would deal "an extremely painful blow" to farmers, he said.

Hata acknowledged the latest government decision violates the Diet resolution seeking self-sufficiency in rice. The government should work out, possibly in five or six months, specific ways to relieve those farmers expected to be hard hit by rice market liberalization, Hata said, citing financial support for farmers in mountainous areas and initiatives to make rice farming more appealing to younger generations. Hata said the current hardships faced by farmers should be used to advantage, as a means to strengthen the foundation of Japan's agriculture toward the next century.

Farmers Worry About Controls

OW1412010193 Tokyo KYODO in English 2348 GMT 13 Dec 93

[By Kohei Murayama]

[Text] Tokyo, Dec. 14 KYODO—Now that Japan has accepted the eventual opening of its rice market, farmers are hoping the government will not hinder them from competing against low-priced imports by bringing back controls that have recently been eased.

"What we really need is a government policy to facilitate our efforts to raise competitiveness in two or three years," said Toshihiro Ogawa, a farmer in Tochigi Prefecture.

"But we cannot expect it, and that's why we are protesting," said Ogawa, who attended a last-ditch rally in Tokyo of some 5,000 farmers late last week.

Indeed, farmers themselves seem to regard the opening of the rice market as an unavoidable international trend, but they are angry with the government for, as they say, "lying"—saying they are freeing the market when the nation's farmers themselves are not fully free to produce and sell at home.

The Foodstuff Control Law, stubbornly maintained for nearly five decades, has deterred younger generations from taking over the paddies, curbing production to such an extent that farmers say Japan now has no choice but to rely on imports sooner or later. "It is just a vicious cycle," Ogawa said. "And the government will probably continue or even strengthen its control to prevent a market glut with all the cheap imports flowing in."

The government's heavy hand in every aspect of growing and selling the nation's staple grain dates from before World War II. After the war, even as the nation's economic planners crafted the industrial policy by which Japan propelled itself from the ashes to the first rank of industrial nations, rice policy was left untouched.

Appealing to the politically powerful rural vote under the banner of national food security, governments during the industrialization in the 1960s to 1970s failed to encourage younger farmers willing to expand production, instead subsidizing them to cut back. As a result, the average Japanese rice paddy is less than a hectare, or 10,000 square meters, per farming household.

With no hope of a future in rice farming, younger family members have streamed away from the farm and the graying of the industry has progressed. Faced with this trend, the government recently tried to encourage younger people to farm by easing its controls with a program to promote large-scale farming. But with the average rice farmer aged nearly 60, grandmothers and grandfathers now form the bulk of Japan's rice farming work force—a reality politicians cannot ignore.

"It's very miserable that we have to rely on government support," said Akio Ota, a farmer in Aomori Prefecture. "But we as farmers cannot feed ourselves, and it's very sad we cannot take a pride in our profession."

Zenichiro Ohashi, a farmer and a community leader in Niigata Prefecture, said it is "already far too late to complain now." In his village of Jojo, the average farmer is over 60, and all 50 households depend on salaries brought in by fathers and children working in nearby cities or even as far away as big cities such as Tokyo.

The problem, as Ohashi says he has been pointing out for decades, is that the government left farm policy "almost untouched while pushing forth industrial policy."

Meanwhile, there are few young farmers like Tsuyoshi Yamanami in his early 20s who are willing to take over their fathers' rice farms. "We have to start changing the image by introducing a company system to make rice farming attractive, like industrial and commercial businesses," said Yamanami, who farms in Niigata Prefecture.

Toru Wakui, a farmer in Akita Prefecture, has already proved that a Japanese rice farm can be a going business concern by earning 3.6 billion yen this year with the company he established about six years ago with nearby farmers to sell rice directly to consumers through telephone orders. Like many enthusiastic farmers, Wakui said imports will lead consumers to realize how precious Japan-produced rice is.

Both Yamanami and Wakui said they are sure that Japanese consumers will pay more not only for the taste but also for the quality in securing a supply of healthy home-grown rice.

More than 60 percent of Japan Food Service Association operators expressed concern over the safety of imported rice in a recent survey, citing worries about farm chemicals. Only 6.7 percent said they have no such worries.

But Ohashi said, "I wonder if the government is willing to pay the huge funds needed for farmers to integrate paddies consisting of only small strips of land into large ones."

And as time goes by with no clear government policy, "consumers will get used to the taste and quality of imported rice, and if major exporting nations suffer a poor harvest, Japan will be in big trouble," he said.

Fujii Proposes 1994 Budget Steps

OW1412023293 Tokyo KYODO in English 0200 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Finance Minister Hirohisa Fujii said Tuesday [14 December] the national budget for fiscal 1994 should contain financial support for those farmers likely to be hard hit under the rice market opening.

The government should tackle the issue in line with its revised policy for Japan's agriculture, unveiled in June last year, Fujii told a press conference.

The new farm policy envisages converting Japan's rice industry into an internationally competitive operation, promoting large-scale and intensive farming.

Compensation under rice market liberalization should focus on rice growers in mountainous areas, a segment which may find it difficult to continue with rice production under the recommended intensive farming, Fujii said.

The finance minister branded the government's latest decision on a partial rice market opening as "severe" for farmers. But he defended the decision, saying it was "an inevitable choice" for the government in view of the need for Japan to stay within the framework of the General Agreement on Tariffs and Trade (GATT).

Japan is one of the countries that stand to benefit most under the GATT's free trade principles, Fujii said.

Fujii repeatedly denied that the Finance Ministry is considering using public funds to help banks liquidate their nonperforming loans. The bad loans that are currently hobbling banks represent a major issue for the Japanese economy, but the banks should dispose of these loans through self-help efforts, Fujii said.

The policy was fully confirmed when the Cooperative Credit Purchasing Co. was created in January this year among financial institutions, as a means to liquidate their property-backed bad loans, he said.

'New Vision' Farm Policy Planned

OW1412040593 Tokyo KYODO in English 0339 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The government on Tuesday [14 December] decided to draft a new "vision" for future farm policies aimed chiefly at helping farmers cope with the partial opening of the rice market.

A cabinet meeting held early Tuesday also approved a proposal to set up a special panel headed by Prime Minister Morihiro Hosokawa to work out the vision. The move follows the government's decision at the same meeting to accept a proposal by the General Agreement on Tariffs and Trade (GATT) for Japan to lift its ban on rice imports.

Hosokawa, speaking to reporters after the cabinet meeting, promised to "do my utmost to brighten the future of farmers and create a new era for Japanese agriculture."

To that end, he said, the government plans "a drastic vision aimed at reviving the farming sector."

Under proposals approved by the cabinet, the special panel will focus on rice production and supply, strengthening the farm sector, and helping farmers in hilly areas, who are expected to be hardest hit by the inflow of lower-priced foreign rice. The team will also work out ways to quickly put into effect a farm plan unveiled in June last year.

Called the new food and agrarian plan, it envisages comprehensive structural reform to strengthen the nation's farm sector ready for the 21st century. The compiling work of the proposed vision will take several months, said Eijiro Hata, minister of agriculture, forestry and fisheries.

The cabinet also decided to separately ask the Agricultural Administration Council, an advisory panel to the

Farm Ministry, for its views on policies on farm produce prices, distribution, and medium- to long-term policies. The panel will be asked as early as next February to make a report on these issues.

Ministry Decides To Form 'Team'

OW1412054093 Tokyo KYODO in English 0445 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The Farm Ministry is to form a special team to help Japan's rice growers, who will be hit hard by the planned opening of the nation's rice market, Farm Minister Eijiro Hata said Tuesday [14 December].

"The ministry will take concrete measures, considering opinions from agricultural organizations," Hata told reporters after the day's cabinet meeting. A government panel is to be set up shortly, chaired by Prime Minister Morihiro Hosokawa, to work out a new "vision" on farm policy.

The Farm Ministry's team will act as a link between the government panel and groups representing rice growers, ministry officials said.

Labor Minister Chikara Sakaguchi said at a separate news conference that the government should consider not only agricultural business but also the possible increase of unemployment in farming areas.

"The business scale of Japanese farmers is generally small. Only a few can make a living from farming itself," Sakaguchi said, adding that the government must take comprehensive measures based on a broad perspective of maintaining and revitalizing the nation's farming areas.

The government announced early Tuesday that Japan will lift its longstanding rice import ban in line with proposals in the Uruguay Round of trade liberalization.

GATT Praises Decision on Rice

OW1412140893 Tokyo KYODO in English 1346 GMT 14 Dec 93

[Text] Geneva, Dec. 14 KYODO—Peter Sutherland, director general of GATT, praised Japan on Tuesday [14 December] for playing a leading role in wrapping up the long-stalled Uruguay Round of multilateral trade talks.

Sutherland said Japan's decision to open partially its rice market is a "significant movement" and "further evidence of the likely successful conclusion of the round."

He has repeatedly expressed expectations that Nobutoshi Akao, Japan's ambassador and negotiator in the global trade talks in Geneva, will help members of the General Agreement on Tariffs and Trade (GATT) reach a comprehensive agreement in the round talks.

Another GATT negotiator said the agreement in the trade talks was attributable in great part to Japan's acceptance of an accord that will open its market to rice imports.

Favorable evaluation of Japan's negotiating stance was obvious on how much the nation decided to lower tariffs on industrial and mining products. Although the United States and the European Community (EC) will slash the maximum tariffs on such products by an average 30 percent, Japan will reduce them by 60 percent, GATT sources said.

In addition, the Japanese Government has finally decided to partially open its rice market in spite of strong opposition from domestic farmers, spurring the EC and the U.S. to rapidly reach a comprehensive agreement, they said.

ROK 'Cool' to Partial Opening

OW1312212293 Tokyo KYODO in English 1909 GMT 13 Dec 93

[Text] Seoul, Dec. 14 KYODO—South Korea was cool to Japan's decision Tuesday on a partial opening of its rice market because the country regarded it as inevitable, government sources said.

President Kim Yong-sam announced last Thursday what he called "inescapable" action in lifting a rice import ban in South Korea, and the heated campaign by farmers to reject rice tariffication has quickly cooled since then.

South Korea's attention has been shifting to how the government will try to obtain the most favorable terms in last-minute talks in Geneva with negotiators from the United States and European nations.

Although the government has not yet disclosed any details of the lifting of the rice import ban, the mass media have reported that the nation will be allowed a moratorium of 10 years before it has to replace its ban with tariffs on condition it accepts a minimum market access of 2-4 percent during that period. One news report also said South Korea demanded to freeze the minimum access plan for three or four years.

SRV on Hopes for Rice Purchases

OW1412014093 Tokyo KYODO in English 2309 GMT 13 Dec 93

[Text] Hanoi, Dec. 14 KYODO—Vietnam, the world's third- largest rice exporter, hopes Japan will purchase its rice, a senior Vietnamese official said Monday [13 December].

"Vietnam is capable of exporting two to three million tons of rice annually. The question is where to ship it and it's regrettable Japan has not imported any," said Hong Ha, who chairs the Communist Party's Committee on External Affairs.

Vietnam became a rice-exporting country in 1989 and shipped 1.9 million tons last year, making it the world's third-largest rice exporter following Thailand and the United States. Vietnam expects to export some two million tons this year.

To make up for a shortage caused by this year's bad harvest, Japan plans to import 200,000 tons of rice by the end of December and another 900,000 tons by the end of March.

Ruling Party, LDP Seek Diet Extension

OW1412115893 Tokyo KYODO in English 1137 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Lawmakers of both the ruling and opposition parties called Tuesday [14 December] for an extension of the current Diet session beyond Wednesday's original scheduled closing until late January to achieve long-delayed political reform.

Legislators from the ruling coalition and the main opposition Liberal Democratic Party (LDP) made the appeal at a meeting of the Committee for the Private Promotion of Political Reform, which was held only one day before the scheduled close of the current extraordinary Diet session.

At the outset of the gathering, Masao Kamei, head of the committee, spurned growing calls for pump-priming measures to take priority over political reform aimed at rooting out the corruption endemic in Japanese public life and insisted on pushing ahead with both simultaneously.

"Unless we extend the term of the Diet and promote deliberations (on political reform), we cannot reach the end of the tunnel," said Kisaburo Tokai, a House of Representatives member of Sakigake (Harbinger), a group in the ruling coalition. "Let's take united action."

Noting that the current Diet sitting was convened for the purpose of discussing reform, Ikuo Horigome, a lower house member of the Social Democratic Party, spoke of the need for a lengthy extension to push government-sponsored political reform bills into law.

Moves for political reform centering on changes to lower house elections and tighter curbs on political funding have topped the political agenda in Japan over the past five years due to an array of scandals involving leading LDP politicians.

The government reform package cleared the House of Representatives in mid-November but has since been little discussed in the House of Councillors, partially because discussion on the second fiscal 1993 supplementary budget is urgently needed in the upper house session to breathe life into the ailing Japanese economy.

Tuesday's meeting brought together about 180 pro-reform legislators. More than 10 other lawmakers sent proxies.

Although the ruling coalition on Tuesday proposed prolonging the Diet session for 45 days, the LDP and the Japanese Communist Party objected, carrying the final decision over to Wednesday.

Request Submitted to Doi, Hara

OW1412103593 Tokyo KYODO in English 1024 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The ruling coalition requested the Diet on Tuesday [14 December] to extend its current session by 45 days, so it can pass political reform bills, coalition officials said.

The request, if accepted, would extend until January 29 the current 90-day session, due to end Wednesday.

Executives of the coalition, led by Prime Minister Morihiro Hosokawa, submitted the request to House of Representatives Speaker Takako Doi and House of Councillors President Bunbei Hara, they said.

Liberal Democratic Party (LDP) Secretary General Yoshiro Mori told a news conference the largest opposition party will oppose the extension, saying the government should place priority on compiling the fiscal 1994 state budget.

Unless the coalition succeeds in persuading the opposition camp to back the extension, the matter will be settled in a vote of a plenary session of the lower chamber Wednesday, the officials said.

Government leaders said they want the extension so the Diet can finish work on a package of four political and electoral reform bills. The package cleared the lower house on November 18.

Hosokawa, who swept to power in a July general election on the campaign platform of cleaning up Japan's money-dominated politics, earlier hinted that he would step down as premier if he fails to get the package into law by the year-end. Deliberations over the political package have made little progress at the upper house, partly because of the debate over whether to accept the partial opening of Japan's rice market as proposed by GATT. The government decided early Tuesday to accept the proposal.

The LDP maintains the package should be carried over to the next regular Diet session that convenes at the end of January. The party is poised to submit motions of no confidence against Foreign Minister Tsutomu Hata and Agriculture, Forestry and Fisheries Minister Eijiro Hata for being forced into accepting the GATT proposal.

The proposal allows Japan to delay a decision for six years on whether it accepts the tariffication scheme to replace its rice import ban with tariffs, on condition that in the meantime it allows "minimum access" to foreign rice.

In a related development, Chief Cabinet Secretary Masayoshi Takemura told a news conference that he wanted the opposition "to agree to deliberate on political reform bills, as Prime Minister Hosokawa told the Diet he would make the utmost effort to accomplish political reform."

Takemura expressed readiness to comply with the LDP's demand to compile the 1994 budget by the year-end. Some government executives said the coalition should place priority on political reform, rather than the compilation of the budget, in view of the Diet's hard- pressed schedule.

Advisory Panel Chief on Delay in Tax Reform

OW1412120793 Tokyo KYODO in English 1118 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—The head of a government advisory panel working on sweeping tax reforms on Tuesday [14 December] hinted at the possibility of the government failing to map out a specific tax reform package by the end of this year.

Kan Kato, chairman of the Tax Commission, said it might be hard for the government to resolutely carry out tax reforms now that it faces internal conflicts following its politically difficult decision to partially open the rice market. Kato was speaking to reporters after his panel met earlier in the day without going into debate on specific topics.

In a report presented last month to Prime Minister Morihiro Hosokawa, the tax panel proposed a large cut in income taxes and a rise in the consumption tax, but did not refer to the size and timing of such changes.

Government Ministries' Misuse of Funds Alleged

OW1412111793 Tokyo KYODO in English 0951 GMT 14 Dec 93

[Text] Tokyo, Dec. 14 KYODO—Government ministries and agencies as well as state-run organizations wasted a total of 12.64 billion yen of taxes during fiscal 1992, which ended last March 31, the Board of Audit said in an annual audit report released Tuesday [14 December].

The report, handed to Prime Minister Morihiro Hosokawa by the board's president, Takashi Nakajima, said the funds were found to have been misused in a total of 272 cases. The amount involved was down 700 million yen from the year before but the number of cases was up by 22 to a 10-year high. The total included 7.81 billion yen of "improper" spending in 252 cases.

The Health and Welfare Ministry ranked first in a list of the largest misusers of state funds at 4.09 billion yen, occupying the top position for the fourth year in a row.

The Agriculture, Forestry and Fisheries Ministry placed second at 3.5 billion yen, followed by the Finance Ministry at 1.71 billion yen and the Labor Ministry at 1.07 billion yen, the report said.

The report gave good marks to 72 overseas aid projects in five countries but low marks to four projects.

The board found "no problem" with Japan's payment of 1.5 trillion yen to the United States and its allies during the 1990-1991 Persian Gulf crisis, the report said.

North Korea

Remains of Soldiers Transferred to 'U.S. Side'

SK1412044593 Pyongyang KCNA in English 0435 GMT 14 Dec 93

[Text] Panmunjom, December 14 (KCNA)—The DPRK side transferred remains of 33 American soldiers killed in the northern half of Korea during the last Korean war (June 1950-July 1953) to the U.S. side at Panmunjom today under the "agreement on the remains issue" adopted between the DPRK and U.S. militaries on August 24 thanks to the DPRK Government's peaceful and humanitarian measure.

Included in the remains of 33 soldiers are Earnest E. Little (military number RA 15496858), Charles H. Long (military number US 55264319) and William R. Adams (military number O 2262254).

The remains had been unearthed in Chorwon County, Kangwon Province, Pyoktong County, North Pyongan Province, and Changjin County, South Hamgyong Province.

Besides the remains, 67 pieces of 31 items including a social insurance certificate and a family picture were also transferred.

The DPRK side has so far transferred a total of 160 remains of American soldiers to the U.S. side on eight occasions since 1990.

Parties Urge U.S. To Take Sincere Posture

SK1312104493 Pyongyang KCNA in English 1025 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—World public urged the United States to sincerely approach the dialogue with the Democratic People's Republic of Korea. Luciano Pettinari, international secretary of the Italian Party for Communist Refoundation, in a press statement hitting out at Clinton's blast over the fictitious "nuclear problem" said what matters is the nuclear warheads levelled at North Korea and more than 40,000 US troops deployed in South Korea that pose a big threat, rather than the feasibility of North Korea's "nuclear program".

Chairman of the Scientific and Technical Association of Tanzania S.J. Mabulla in an interview with the KCNA correspondent in Dar Es Salaam on December 1 said the formula of a package solution proposed by the DPRK for the complete solution of the nuclear problem on the Korean peninsula is one that can contribute to peace and security of the Korean peninsula through a most fair solution of the nuclear problem.

The United States should resume the DPRK-USA talks at an early date for a complete solution of the nuclear problem on the Korean peninsula, dissolve the "UN command" and replace the Korean Armistice Agreement with a peace agreement in accordance with the resolution of the 30th session of the UN General Assembly, and totally withdraw the US troops and nuclear weapons from South Korea, he said.

Lokadi Tongandjo, chairman of the Zairean National Committee for the Study of the Chuche Idea, in a statement December 6 said the United States and the South Korean authorities should stop at once their political plots to harm the DPRK.

The statement stressed that the United States should approach the dialogue with sincerity and the South Korean authorities refrain from hampering a successful progress of the DPRK-USA talks.

The solidarity committee of Arab regional political parties and fronts to support the South Korean National Democratic Front (Hanminjon) and the struggle of the South Korean people published a statement on November 26, strongly urging the withdrawal of the US troops and nuclear weapons from South Korea, a complete stop to the "Team Spirit" joint military exercises and a peaceful solution of the problem of the Korean peninsula through DPRK-USA talks and the North-South dialogue.

Kim Yong-sam Denounced on Rice Market Opening

SK1212085193 Pyongyang KCNA in English 0818 GMT 12 Dec 93

["Poor Excuse of Traitor"—KCNA headline]

[Text] Pyongyang, December 12 (KCNA)—The traitor Kim Yong- sam in a "special statement" December 9 regarding the rice market opening claimed that he had "spent sleepless nights pondering" how to defend the rice market of South Korea and "done his utmost" as "president" to defend it.

NODONG SINMUN today brands this as a sheer lie and a poor excuse of the traitor for his shocking crime against the country and the nation.

The news analyst says:

It is an open secret that during his U.S. trip, Kim Yong-sam the puppet promised in camera the opening of the rice market of South Korea to his master in return for the latter's promise to establish an "international cooperation system" against the DPRK over the nuclear issue and turn down the DPRK-proposed formula of a package solution of the nuclear issue.

Although the puppet said he had done "his utmost", he announced the opening of the rice market of South Korea even before the end of the negotiation on the rice market.

If there is anything over which the traitor Kim Yong-sam "pondered" spending sleepless nights, it was not how to defend the rice market of South Korea, but it was, no doubt, how to curry favour with his master and how to line his pocket through rice import.

With no amount of poor excuse can the traitor conceal his crime.

Radio Denounces Kim Yong-sam

SK1412055193 Pyongyang Korean Central Broadcasting Network in Korean 0700 GMT 11 Dec 93

[Text] According to a broadcast report from Seoul, the puppet traitor Kim Yong-sam, who is a flunkeyist nation-seller and national traitor, officially proclaimed in the so-called 9 December special press statement that South Korea's rice market will be opened on a full-scale.

The opening of the rice market by traitor Kim Yong-sam is to make South Korea a market for surplus U.S. agricultural products. This will drive the South Korean farms into complete bankruptcy, drive the farmers to hunger and death, and aggravate the weak South Korean national economy to the point of collapse. Furthermore, this will add colonial subordination of the overall society. This is a great antinational criminal act that can never be tolerated.

Thus, in one stroke, traitor Kim Yong-sam betrayed the interests of the South Korean people from all walks of life including the farmers who were vigorously launching the struggle to oppose the opening of the agricultural products market. He openly challenged them and fully revealed his ugly nature as a pro-U.S. flunkeyist nation-selling traitor.

In the special press statement, traitor Kim Yong-sam made clever remarks as if to show the people that he had spent days in agony over the issue of opening the rice market, and repeatedly made disgusting apologies. He talked long-windedly about there being more to gain than to lose in opening the rice market, that the opening of agricultural products will bring about change and reform on farms, and so on. Nevertheless, this is nothing but ridiculous nonsense to hide the reactionary nature of the opening of the rice market, and to beautify the dirty face of an expert in carrying out acts of betrayal and treachery.

People vividly remember that as a promise for wearing the horsehair cap of the president, traitor Kim Yong-sam said that no matter what happens he will defend the rice market. They also recall that he firmly promised the sighing farmers whom he visited wearing a farmer's cap, that due to the unprecedentedly poor crop this year, the rice market will remain closed by all means. Nevertheless, this fellow now does not hesitate before throwing away all his promises.

In reality, this rascal's promises were only made to realize his ambition of taking power and were aimed at achieving distinction at home and abroad. All behavior by traitor Kim Yong-sam under the pretext of civilian politics all the more clearly proves this.

Traitor Kim Yong-sam opened the rice market and is driving the farmers to their deaths. Even so, he babbles that he loves the farmers, that he will build new farms, and so on. This is indeed the brazenfaced jargon of a hypocrite. It is also the unutterable absurd nonsense preached to the South Korean farmers that they will be able to live well even though they are going through hell.

According to studies by the South Korean agricultural research institute, if the rice market is opened and surplus U.S. agricultural products arrie, South Korean farmers will suffer as much as $62.3 billion in losses in the year 2000. Also, millions of farmers who become bankrupt will leave to search for jobs in cities.

With the proclamation of the opening of the rice market, traitor Kim Yong-sam committed a grave crime of strangling the necks of the South Korean farmers and driving the overall economy, including agriculture, into destruction.

The reactionary nature of traitor Kim Yong-sam's special press statement lies in the insidious political attempt to conspire with the United States to crush [apsal] us through the pressure of establishing an international cooperative system and taking sanctions against us.

When traitor Kim Yong-sam crawled into the United States in November, he secretly issued an order to his close Chongwadae aide who was accompanying him, to promise the United States side that South Korea will fully open its rice market if the United States were to maintain the international cooperative system and reject our package deal to resolve the nuclear issue. More recently, while holding a telephone conversation with U.S. President Clinton, he babbled absurd remarks by saying that the opening of the rice market has stronger political and security-related aspects. This reveals the puppet traitor's goal of opening the rice market.

The puppet traitor Kim Yong-sam is trying to use the issue of opening the rice market as bait to make their lord and master, the United States, reject our package deal proposal, which is the best way to resolve the nuclear issue, and to exert control over us through pressure and sanctions. Aren't these very dirty and ugly intentions?

All facts show that traitor Kim Yong-sam is truly a thorough pro- U.S. flunkeyist nation-seller and the paw of a colonial puppet cat who cannot live apart from his lord and master, the United States, even for a moment. He is also driving the South Korean people to misery and pain. All facts also clearly show that he is a nation- seller and flunkeyist traitor who is madly running amok indiscreetly by employing means to harm fellow countrymen. This cannot by any means be tolerated.

Traitor Kim Yong-sam, the nation's misfortune and Judas-like dirty human being, will face the people's strong opposition and will not be able to escape from a tragic end.

Further Condemnation of South's Rice Opening

Agricultural Group's Statement

SK1112051793 Pyongyang KCNA in English 0440 GMT 11 Dec 93

[Text] Pyongyang, December 11 (KCNA)—The Central Committee of the Union of Agricultural Working People of Korea published a statement December 10 branding the Kim Yong-sam group's treacherous move of rice market opening as a never-to-be-condoned, anti-national criminal act and sternly denounced it in the name of the entire agricultural working people of Korea.

The statement says:

During his U.S. trip some time ago, Kim Yong-sam the traitor, the South Korean ruler, secretly promised to open the rice market of South Korea and, in return for this, begged of the United States to maintain the "international cooperation system" for harming the people in the North, fellow countrymen.

The Kim Yong-sam group issued a "special statement" declaring the opening of the rice market as he had secretly promised to his master. He urged the peasants to "silently accept rice market opening as the option in the last extremity" and mumbled that "All people should share the pains of the farmers who cannot but suffer losses from rice market opening".

This is a disgusting flunkeyist treachery to completely cut off the lifeline of the South Korean people and, furthermore, sell off their interests wholly to outside forces.

The Kim Yong-sam clique who emerged under the veil of "civilian government" has constantly threatened the existence of the farmers, pursuing an anti-popular agricultural policy up to now since he took office.

The decision of the Kim Yong-sam clique to totally open the rice market of South Korea to the United States shows well that they leave no stone unturned in gratifying their sinister political purpose by clinging to the coattails of the master, indifferent to the livelihood of the people.

Still more grave is that the Kim Yong-sam group exchanged rice market opening for the establishment of an "international cooperation system" to do harm to the North where fellow countrymen live.

This indicates that the traitor Kim Yong-sam did not hesitate to commit political prostitution to grab power yesterday and now is unhesitatingly committing treachery to sacrifice farmers mercilessly and harm fellow countrymen for the maintenance of "power".

The treacherous acts of the South Korean puppets against the country and the nation will never be pardoned, the statement concludes.

'Peasants' Criticize South

SK1312062693 Pyongyang KCNA in English 0406 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Peasants in the northern half of the country are condemning the rice market opening by the Kim Yong-sam puppet clique to completely cut off the lifeline of the South Korean farmers.

Labour hero Yi Chun-kun, chairman of the management board of the Yoldusamchon cooperative farm, Sokchon County, South Pyongan Province, noted that Kim Yong-sam the traitor who brought the worst crop has decided to open the rice market. "This is an unpardonable criminal act for totally cutting off the lifeline of the farmers. Such act can be committed only by a despicable flunkeyist traitor to the nation," he said, and went on:

"Kim Yong-sam, to maintain his power, did not hesitate to leave South Korean agriculture lock, stock and barrel to foreign monopolies.

"It is only too natural that the South Korean people have resolutely turned out in a struggle against the puppet clique's anti-popular agricultural policy and treacherous rule."

Min Kyong-nam, a workteam head of the Chongsan cooperative farm, Kangso District, Nampo municipality, denounced the rice market opening by the Kim Yong-sam puppet clique as a never-to-be-condoned anti-national crime killing 6 million South Korean farmers, destroying agriculture and driving the whole economy into a chaos.

"The criminal act against the nation surpassing the treachery of the 'five traitors of Ulsa (1905)' can never be pardoned," he said.

More Rallies in South on Rice Market Opening

SK1212085293 Pyongyang KCNA in English 0826 GMT 12 Dec 93

[Text] Pyongyang, December 12 (KCNA)—Big rallies and demonstrations of peasants, workers and other citizens, dissident organizations and students against the Kim Yong-sam puppet clique's anti-popular rice market opening took place throughout South Korea on December 11, Seoul-based radio reports said.

The All-People Emergency Measure Committee for checking the rice market opening at a rally in Seoul held that the final decision on the liberalization of rice and other basic farm produce imports should be made according to a judgment by the people and launched into a 10 million signature campaign urging the enforcement of a national referendum.

Earlier, on December 10, representatives of the organization paid a protest visit to the U.S. Embassy in Seoul and handed over an open questionnaire demanding the truth of the South Korea-U.S. secret negotiation made during Kim Yong-sam's trip to the United States be made public.

The National Federation of Peasant Associations and the National Council of Trade Union representatives held a rally and a street march, shouting slogans against the rice market opening.

An estimated 3,000 students under the South Korean Federation of General Student Councils (Hanchongnyon) marched downtown Seoul in a protest against the rice market opening.

The authorities threw a strict cordon around "Chongwadae [presidential offices]", the U.S. Embassy and other areas and ran amok in crackdown with more than 10,000 police of some 100 companies.

Over 1,000 peasants in Yonggwang County, 300 in Hampyong County and 800 in Kangjin County, South Cholla Province, and more than 1,000 peasants and students in North Cholla Province separately held rallies and urged the "government" to shelve the presentation of the plan to implement the rice market opening.

Upwards of 1,000 farmers in Chungju City and Chungwon County, North Chungchong Province, staged a street demonstration, led by farm machines and trucks, and held a rally for checking the liberalization of import of rice and other farm and livestock products.

In Taejon, some 1,000 peasants, students and others held a rally and staged a street demonstration, burning an effigy symbolizing the United States and a straw bag of rice. Over 1,000 peasants, students and others in Taegu and 600 students and other citizens in Pusan held rallies denouncing the rice market opening.

Meanwhile, South Korean "assemblymen" held a close haircutting ceremony before the GATT headquarters in Geneva and staged a protest against the rice market opening on December 9.

Demonstrations by Other Groups Noted

SK1312074893 Pyongyang KCNA in English 0413 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—The National Council of Trade Union representatives of South Korea held a rally denouncing the opening of the rice market by the traitor Kim Yong-sam in front of the "National Assembly" building in Youido on December 10, according to a radio report from Seoul.

The Dairy Farmers' Association, the Pig Breeders' Association, and the Poultrymen's Association of South Korea released a statement that day strongly demanding that the puppet authorities establish a system of compensation for the losses caused to the stockbreeders by market opening.

The Christian Broadcasting System (CBS) of South Korea pointed out that day that the traitor Kim Yong-sam did not utter a word about his "presidential election promise" that he would not liberalize rice import, while letting loose a string of poor excuses in his "special statement" regarding rice market opening.

Even according to understated figures of the puppet Ministry of Labor, it is estimated that rice market opening will make one million people jobless in the South Korean countryside.

Rally at U.S. Embassy in Seoul

SK1412041993 Pyongyang KCNA in English 0404 GMT 14 Dec 93

[Text] Pyongyang, December 14 (KCNA)—South Korean people of all walks of life continuously hold protests against the treacherous opening of the rice market by the Kim Yong-sam puppet clique.

Students under the Federation of General Student Councils of South Korea held a rally and demonstration in front of the U.S. Embassy in Seoul on December 13, demanding that the United States immediately stop pressuring South Korea to open its rice market. The students charged that the United States is forcing South Korea to liberalise the import of rice and other basic agricultural products while admitting restrictions on the import of 14 items of agricultural products for its own interests.

Eighteen students representing six colleges of agriculture in South Korea burned the stars and stripes in Seoul as an expression of their protest against the United States which demands rice market opening and scattered more than 1,000 copies of literature against rice market opening to passers-by.

Meanwhile, tens of pastors from rural and fishing villages held "an emergency prayer meeting for defending our rice" at the Christian hall in Seoul before making a protest visit to "Chongwadae" [presidential offices].

They issued a statement denouncing the authorities' "policy of agricultural market opening little different from the policy of agricultural speculation" and urging them to dismiss the bureaucrats favouring rice market opening.

On December 11, over 20,000 farmers, citizens and students held rallies and protests in Seoul and some 20 local places against rice market opening.

Magazine Exposes ROK Nuclear Arms Development

SK1412055593 Pyongyang KCNA in English 0407 GMT 14 Dec 93

[Text] Pyongyang, December 13 (KCNA)—The international scientific magazine SAFE ENERGY-92 carried an article by Shaun Berni and Pit Roshe, members of "Greenpeace", which exposed the development of nuclear weapons in South Korea.

The magazine recalled that the South Korean authorities had sought to build an arsenal to manufacture their own nuclear weapons already from the beginning of the 1970s and, at that time, a large number of U.S. nuclear weapons were deployed in South Korea.

South Korea has now stockpiled ten tons of plutonium and the amount will grow to some 24 tons around the year 2000, which is enough to manufacture 450 A-bombs, it noted.

It said South Korea will be able to make nuclear weapons easily in a few months early in the next century with the help of its reprocessing agreements with Britain and Russia.

Kim Chong-il Said Praised by ROK Intellectuals

SK1312061893 Pyongyang KCNA in English 0402 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Intellectuals in Seoul are highly praising the dear leader Comrade Kim Chong-il, according to radio "Voice of National Salvation".

A high school teacher surnamed Kim, answering a question from his fellow teachers as to "who do you think is the most-reputed leader in the world now", said "he is none other than the dear leader Mr. Kim Chong-il who is brilliantly carrying forward the cause of national independence of the great President Kim Il-song."

He further said:

"It is only the North in the world today that is enhancing its national prestige as an independent and sovereign state.

"The North is displaying its dignity with independent politics, prospering with the self-sustaining economy, firmly defending the country and people with self-reliant defence and exalting the national legitimacy with the development of national culture."

Expressing sympathy with him, a teacher Song said:

"The dear leader Mr. Kim Chong-il is a man with rare wisdom, broad magnanimity and noble virtues.

"With his superb ability of leadership and matchless grit, he turns the unfavorable into favourable circumstances, misfortunes into fortunes, leading the country to a prosperity.

"The history has not known such a great person, an outstanding leader as the dear leader Mr. Kim Chong-il who enjoys unquestioned trust of the people as he bestows trust, love and benevolence on the people with the idea of 'believing in the people as in heaven'."

Russia, Japan Denounced for Dumping Waste

SK1412012393 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 13 Dec 93

[Statement issued by the chairman of the State Fisheries Commission on 13 December; place not given]

[Text] It is a legal and moral duty of all countries around the world to keep the marine environment clean, and to protect and nurture marine resources.

Russia and Japan are members of the international accord on protecting the sea and sea biological resources, and are countries in the coastal areas of the East Sea [Sea of Japan]. The northeast Pacific region, including the East Sea, is one of the three fishing banks in the world, and the amount of marine products drawn from the region is eaten by not only the people living in countries in the coastal areas but also by the people around the world. Russia and Japan, nonetheless, polluted the East Sea of Korea and the Pacific to a great extent by dumping large quantities of nuclear waste for the last 30 years and created a danger of exterminating sea biological resources.

We can never tolerate and strongly condemn the acts of spoiling marine resources, hindering the development of fishery, and even threatening the people's lives by recklessly dumping nuclear waste into the sea. We take it as matter of course for the peoples of Asia and the world to express great concern and protest over illegal acts committed by Russia and Japan.

Far from lending an ear to criticism from the world public, Russia announced that it will continue dumping nuclear waste in the East Sea of Korea and the Pacific, and Japan tries to avoid criticism by alleging that the nuclear waste it has dumped is not dangerous. We cannot but take serious note of this. It is impudent of Russia and Japan to talk about the DPRK's compliance with the nuclear safeguards agreement while wantonly violating an international accord without an elementary morality.

Russia and Japan must refrain from their reckless act of decrying the DPRK, immediately stop dumping nuclear waste in the East Sea of Korea and the Pacific, apologize to the countries in the coastal areas, scoop up the dumped nuclear waste out of the sea at once, and punish those responsible for the dumping.

We hope that all the international organizations and community will pay deep attention to the destruction of sea biological resources by Russia and Japan and its consequences, and take relevant measures.

Analyst Criticizes Japanese Premier's Remarks

SK1412045993 Pyongyang KCNA in English 0422 GMT 14 Dec 93

["Foolish Disguise of 'Economic Animal'"—KCNA headline]

[Text] Pyongyang, December 14 (KCNA)—The Japanese prime minister recently said Japan would play "an active role" for the economic growth of the world, render "cooperation" to the reconstruction of a certain area and "help" a certain country's rehabilitation.

Commenting on his remarks, NODONG SINMUN today casts doubt upon the flowery words.

The news analyst says:

Japan must honestly liquidate its past crimes before talking about "international contribution."

The Japanese ruling quarters, far from apologizing for the past crimes, are trying to bury them in obscurity in history and avoid apology and compensation.

Can this Japan be thought to have a real intention to make international contribution and help anybody?

The Japanese authorities are pursuing an ostrich policy.

Lurking behind their blatant advertisement of international "contribution" is an intention to create an illusion about Japan in the international arena and widen the road to its permanent membership of the U.N. Security Council.

Such selfish country as Japan is rare in the world. It is not without reason that Japan is nicknamed "economic animal" in the international community.

No matter how loudly the "economic animal" may hawk its generosity for somebody under the guise of an honest member of the international community, there are not many people who would have an illusion about it. The world people will always judge and estimate the real intention of Japan by its deeds, not by its words.

Daily Urges Full Probe Into 'Comfort Women'

SK1212085793 Pyongyang KCNA in English 0833 GMT 12 Dec 93

[Text] Pyongyang, December 12 (KCNA)—The recent discovery of many more materials on the truth of "comfort women for the Army" at the Japanese National Diet Library revealed once again the dishonest and shameless nature and moral baseness of the Japanese Government authorities with regard to the criminal case of "comfort women for the Army", says NODONG SINMUN in a commentary today.

The news analyst says:

The criminal case of "comfort women for the Army" is an unheard-of anti-human criminal act committed by the Japanese Government and military in those days when they drafted more than 200,000 women of different countries in Asia and Europe, mainly Korean women, and reduced them to sex slaves for their "imperial Army" as a state policy.

It is an elementary requirement, therefore, to conduct a full investigation into the truth behind it and make it public without reservation.

The Japanese authorities, however, do not make inquiries about even the existing materials.

They seek to tone down public opinion and duck their responsibility for the crime by publishing perfunctory "Results of Investigation" full of empty words.

The pace to a solution of the problem will be quickened further if the Japanese Government delves deep into the truth behind the "comfort women" problem to the very bottom and opens the truth to the public fully.

But they stick to the insincere, dishonest attitude, seeking as ever to cover up their criminal case of "comfort women for the Army".

The Japanese Government authorities must reveal a full picture of the anti-human criminal act and make a sincere apology and compensations even at this late hour.

Scientific Symposium on Chuche Idea in Japan

SK1312102593 Pyongyang KCNA in English 1014 GMT 13 Dec 93

[Text] Tokyo, December 11 (KNS-KCNA)—An executive committee meeting for the 29th national scientific symposium on the chuche idea was held twice in Kochi, Japan.

The meeting referred to the proceedings of the national scientific symposium on the chuche idea and the significance of the study and dissemination of the chuche idea in Japan.

It discussed and decided on the question of opening the 29th national scientific symposium on the chuche idea in Kochi in February, 1994.

Kim Il-song's Reminiscences Disseminated Worldwide

SK1312103093 Pyongyang KCNA in English 1018 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—"With the Century", reminiscences of the great leader President Kim Il-song, has been disseminated and studied on a world-wide scale.

The reminiscences has reportedly been introduced by more than 280 publications in over 100 countries in a little more than one year and a half.

Yuzankaku Publishing House of Japan, Paleya Publishing House of Russia and Cotragraf Publishing House of Venezuela translated and published it in their national languages.

In this period, meetings on the reminiscences such as seminars, public discussions, lectures and reading, took place in 90 odd countries on more than 200 occasions.

Now the world's revolutionary people and progressive public circles say the reminiscences "With The Century" is "the greatest witness record of the history of the present century", praising President Kim Il-song who wrote it as "a rare great man produced by the 20th century" and "legendary hero".

Chango Machyo, deputy national political commissioner of the Secretariat of the National Resistance Movement of Uganda, said the whole life of His Excellency President Kim Il-song is the life of an outstanding leader who indicated the most precious lessons of people's statesman which could not be seen in the career of any statesman or great man in modern history, and the right of living and principles of struggle, and a brilliant career of a socialist statesman who has wonderfully adorned human history of the 20th century.

Foreign Political Figures Support Reunification

SK1312102493 Pyongyang KCNA in English 1012 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Political and public figures of different countries supported the program and proposal for the reunification of Korea.

Daniel Ortega Saavedra, secretary general of the Sandinist National Liberation Front of Nicaragua, when he met the Korean ambassador on December 4, said that the "10-point programme of the great unity of the whole nation for the reunification of the country" put forward by the great leader President Kim Il-song was the most correct program for achieving the cause of reunification of Korea.

He declared that he would always support the socialist cause and the cause of national reunification of the Korean people.

M.S. Krishyan, chairman of the all-India Trade Union Congress, told the KCNA correspondent in India on November 22 that the "10-point programme of the great unity of the whole nation for the reunification of the country" was a most independent and fair realistic program indicating a clear way at the present time for opposing the unreasonable interference and intervention of the outside forces in the Korean question and achieving the peace and the peaceful reunification of the country with the great unity of the whole nation.

"The All India Trade Union Congress embracing 3.5 million workers of India expresses full support to the program and will actively support and encourage the Korean people in the just struggle for its realisation," he stated.

At a meeting held in Austria on December 2 Hans Wagner, chairman of the Wiener Neustadt City administration, in his speech said that the proposal for founding the Democratic Confederal Republic of Koryo put forward by President Kim Il-song was a grand reunification program showing a short cut to national reunification. He said he would make all efforts to induce all the Austrian people to actively support it.

Official Leads Art Troupe on China Visit

SK1312105793 Pyongyang KCNA in English 1030 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—An art troupe of the Democratic People's Republic of Korea led by Ho Paek-san, first vice-minister of Culture and Art, left here today for a visit to China.

The troupe was seen off at Pyongyang railway station by Kim Chong-ho, vice-minister of Culture and Art, and a councillor of the Chinese Embassy here.

Foreign Minister Meets Departing Iranian Envoy

SK1312062593 Pyongyang KCNA in English 0407 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Vice-premier and Foreign Minister Kim Yong-nam Sunday met and had a talk with Iranian Ambassador to Korea Hasan Taherian who paid a farewell call on him.

Social Democratic Party Delegation Returns Home

SK1312083093 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 7 Dec 93

[Text] The Korean Social Democratic Party [SDP] delegation headed by Kim Pyong-sik, chairman of the SDP Central Committee, returned home by plane on 7 December, winding up a visit to Cambodia, Thailand, India, and Nepal. The delegation was met at the airport by (Kim Ui-hyon), vice chairman of the SDP Central Committee.

Delegation Meets Nepalese Prime Minister 5 Dec

SK1212090193 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 7 Dec 93

[Text] Nepalese Prime Minister Girija Prasad Koirala received the Korean Social Democratic Party delegation led by Kim Pyong-sik, chairman of the Central Committee of the party, on 5 December.

During the meeting, the head of the delegation conveyed the great leader Comrade Kim Il-song's and the dear leader Comrade Kim Chong-il's greetings to Prime Minister Girija Prasad Koirala. The prime minister expressed deep gratitude, and asked the head of the delegation to convey his sincere greetings of long life to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

The talks were held in a friendly atmosphere. The secretary of the Nepalese prime minister's office and the DPRK ambassador to Nepal were on hand.

New UK Communist Party Supports Reunification

SK1312062893 Pyongyang KCNA in English 0410 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Eric Trevett, general secretary of the Central Committee of the New Communist Party of Great Britain, in a report delivered at the 9th party congress referred to the aggressive moves of the U.S. imperialists against the Democratic People's Republic of Korea. He said that for the reunification of Korea the U.S. troops and nuclear weapons must be withdrawn from South Korea and the Korean peninsula be turned into a nuclear-free zone, a zone without foreign military bases.

Noting that the United States now is talking about "sanctions" and military threat and even "air strike", he pointed out that all the communists should pay attention to smashing the moves of threat and blackmail of the imperialists to stifle the socialist countries.

"We fully support all the initiatives of the DPRK for the reunification of the country," he stressed.

Foreign Ministry Hosts Party To Mark India Ties

SK1412043793 Pyongyang KCNA in English 0359 GMT 14 Dec 93

[Text] Pyongyang, December 14 (KCNA)—The Ministry of Foreign Affairs hosted a cocktail party Monday evening on the occasion of the 20th anniversary of the opening of diplomatic relations between Korea and India.

Invited to the cocktail party were Indian Ambassador to Korea Shehkholen Kipgen and his embassy officials.

Present there were Vice-Minister of Foreign Affairs Cho Kyu-il and officials concerned.

Speeches were made at the party.

Papers Mark Anniversary

OW1012125393 Pyongyang KCNA in English 1038 GMT 10 Dec 93

[Text] Pyongyang, December 10 (KCNA)—Papers here today dedicate articles to the 20th anniversary of the establishment of diplomatic relations between Korea and India.

NODONG SINMUN in a by-lined article says that the friendly and cooperative relations between the two countries have favourably developed in the past 20 years after the establishment of diplomatic relations.

It continues:

The Korean people are following with deep interest the Indian people's efforts for building a developed and prosperous India, overcoming difficulties and bottlenecks and extend support to and solidarity with them.

The Indian people are now striving to ensure security of the country and develop economy.

India is contributing to strengthening and developing the non-aligned movement in external relations and making efforts to turn the Indian Ocean into a peace zone.

The Indian Government is striving to strengthen the South Asian Association for Regional Cooperation: develop the regional economy through it and ensure security and peace in this region.

They are calling for general disarmament in the international arena and democratization of the United Nations.

To develop friendship between Korea and India is beneficial to the building of a new society in the two countries and contributes to building a new independent and prosperous Asia.

The Korean people will continue to develop the friendly and cooperative relations with the Indian people in the future.

MINJU CHOSON in a signed article notes that the Korean people will strive to develop and expand the friendly and cooperative relations between the two peoples in various fields and wish the Indian people greater success in their endeavours for independent development and prosperity of the country.

Papers Note Kenyan Independence Anniversary

SK1212085393 Pyongyang KCNA in English 0828 GMT 12 Dec 93

[Text] Pyongyang, December 12 (KCNA)—Papers here today observe 30th anniversary of independence of Kenya.

In a by-lined article NODONG SINMUN points out that since the independence the Kenyan people have registered achievements in their endeavours to build a new life.

They are now striving to defend the sovereignty of the country and achieve unity and stability among nations, the article says, adding:

The Korean people wish the Kenyan people a new success in their future work and hope that friendship between Korea and Kenya will develop on good terms.

MINJU CHOSON in a by-lined article expresses the belief that the friendly relations between Korea and Kenya will further develop in the future.

Further Reportage From Ninth SPA Session

Vice Premier's 10 Dec Report

SK1312121193 Pyongyang Korean Central Broadcasting Network in Korean 0657 GMT 10 Dec 93

[Report by Kim Yun-hyok, Supreme People's Assembly deputy and vice premier of the Administration Council, on the second agenda item on the adoption of the construction law at the Sixth Session of the Ninth SPA held at the Mansudae Assembly Hall in Pyongyang on 10 December—recorded]

[Text] Comrade Deputies: The Sixth Session of the Ninth Supreme People's Assembly [SPA], which opened to the great interest of all the people across the country, will adopt the DPRK Law on Construction, which is of great importance in increasing the country's strength and guaranteeing the people's independent and creative lives. Many years have passed since the new history of genuine popular construction started under the banner of the chuche idea. In hearty response to the far-reaching construction plan of the great leader Comrade Kim Il-song, our people and builders have displayed a high sense of loyalty and patriotic devotion to implement the construction plan of the Workers' Party of Korea [WPK] and the DPRK Government, brought about brilliant victories and proud achievements in construction, renewed the country's face, and vigorously displayed the dignified appearance of chuche Korea. [applause]

The entire country and all the people, single-mindedly united around the party and the leader [suryong], are vigorously waging the struggle to strongly defend the popular masses-centered socialism of our own style and further glorify it. Adopting the DPRK Law on Construction at such a time will serve as another meaningful occasion to powerfully demonstrate the justness and vitality of the construction policy of the WPK and the DPRK Government and better guarantee the people conditions for abundant and civilized material and cultural lives. [applause]

Comrade Deputies: Construction in a socialist society is great work to remake and reform the nature and a worthwhile work to achieve the country's prosperity and development and guarantee the people abundant and civilized material and cultural lives. The development of the country's self-reliant national economy and improvement of the people's lives are unthinkable apart from endlessly improving and strengthening construction work.

The great leader mapped out a plan to build a people's paradise during the period of the anti-Japanese revolutionary struggle. While leading the revolutionary struggle in various stages and construction work after the liberation, he created chuche-oriented and original ideas and [word indistinct] on construction and presented popular and revolutionary construction policies that make it possible to successfully carry out massive construction projects in a short period of time in terms of history.

Based on the immortal chuche idea, the great leader Comrade Kim Il-song presented a creative idea on carrying out construction projects on our own strength in compliance with our people's aspirations and demands and the specific conditions in our country. In this way, he elucidated the most correct way to strengthen chuche in construction.

Based on his deep insights into the characteristics and importance of construction, the great leader Comrade Kim Il-song presented a policy on correctly deciding on and prioritizing major construction projects; industrializing [kongophwa] and modernizing construction and hastening construction to the utmost; and improving the speed and quality of construction. He also presented a policy on carrying out construction in a planned way, guaranteeing [words indistinct], specializing construction workers, and establishing strict discipline and order in construction.

The chuche-oriented ideas, theories, and policies on construction elucidated by the great leader Comrade Kim Il-song have been further developed and enriched in a new high stage in the development of our revolution in which we are implementing the program of modeling the entire society after the chuche idea.

Our party's policies on construction that brilliantly reflected and summed up the great leader Comrade Kim Il-song's far-reaching plans on construction and his chuche-oriented ideas on architecture are the most revolutionary and scientific policies that correctly reflect the demands of the development of our revolution and our people's aspirations and demands. They are also the most just policies based on the superiority of the socialism of our own style. [applause]

All of these chuche-oriented and creative policies of our party on construction are a firm ideological and theoretical basis for the construction law which will be adopted this time and a guiding principle.

The great leader not only fully elucidated the construction policies of our party and state, but also considered construction to be one of basic fronts for socialist economic construction and exercised wise leadership to ensure that endless development and upsurges are brought about in industrial construction, city and rural construction, construction of facilities, and all other domains of construction.

During the days of the stern war, the great leader firmly believed in victory in the war and instructed thorough preparations for postwar rehabilitation and construction. During the postwar period, he became chairman of the Pyongyang Reconstruction Committee, vigorously organized and mobilized our builders and all other people in postwar construction to rebuild the people's economy. During the period of socialist construction, in compliance with the expanded scale of construction, he took various revolutionary measures to correctly establish a system with which to guide construction, regularize and normalize construction, and do more construction work by waging the struggle to increase production and conserve materials.

Thanks to the party's wise leadership, the Pyongyang speed, the vinalon speed, and the Sohae Lockgate speed were created in our country one after another, and unprecedented construction speeds, which amaze people throughout the world, were created. [applause]

Today, no other country in the world does more construction work than our country, and construction is developing fastest in our country. In our country, in the course of this grand struggle for construction, the ranks of builders have been strongly consolidated, the material and technological basis of construction has been strengthened, and a construction guidance system and work order appropriate in the actual conditions of socialist construction have been established. Our builders have grown to forces who have abundant experiences and skills enough to design any difficult and complicated construction project and carry it out.

Through the past construction process, numerous plants and enterprises of various sizes, which are showing off the grand appearance of the self-reliant economy, have been established across the country, and strengthened and developed our industry into a chuche-oriented industry, which is independent, modern, and diverse.

Along with this, our party's socialist rural construction program completed irrigation and electrification in the rural economy, and lifted general mechanization and the application of science to a high level by successfully executing the broad construction tasks presented by the theses concerning our country's socialist rural problems.

Under the wise leadership of the WPK and the Republic Government, cities and rural villages across the country, including the capital of the revolution—Pyongyang—have transformed into utopias of socialist cultural cities overflowing with the people's joy, and our people are leading happy lives to their content in modern residential houses built at the expense of the country.

All victories and achievements made in the past construction projects are the result of the wise leadership of the WPK and the Republic Government headed by the respected and beloved Comrade Kim Il-song, and noble fruitions of devoted labor and struggle waged by our people and builders who are endlessly loyal to the party and the leader [suryong]. [applause]

Comrade Deputies: Today's reality, in which socialist construction is being deepened and developed, urgently demands the improvement and strengthening of construction works based on the already established achievements.

The great leader Comrade Kim Il-song has taught: Construction is not work to be stopped after a certain period of time. Construction will not only be continued but will also be gradually increased. We should do more construction than now in the future when the fatherland is reunified, and construction will continue even in the communist society.

The Construction Law reflects the demands of the policies which the WPK and the Republic Government consistently maintained in construction works, and regulates from a general construction plan, the design, construction, and completion of inspection. It supplements and generally systemizes the main contents of construction regulations applied hitherto in conformity with the demands of the developing reality.

Above all, the Construction Law scientifically defines its basic mission and fundamental principles to be maintained in the Construction Law and construction in conformity with the essential characteristics of our-style socialist system and the basic objectives of the socialist, communist construction.

The Construction Law is clearly showing its genuine people-oriented characters by defining its fundamental mission as guaranteeing a high speed of socialist extended reproduction and contributing to enhancing the people's material and cultural lives.

The Construction Law defines that the fundamental principles to be consistently maintained in construction is to establish chuche in construction works, to concentrate and industrialize, and to regularize and normalize construction. Thus, the Construction Law presents a basic key for enhancing the speed and quality of construction by successfully carrying out construction in conformity with our people's inspiration and interests, and the nation's concrete reality and natural, geographical conditions, and by focusing the capacity in major objects, strengthening the material basis of construction, and thoroughly establishing discipline and order in construction works.

The Construction Law also defines a general construction plan as the basic content of construction projects, and thoroughly stipulates principles and order to be observed in planning general construction. A general construction plan is the first step of construction, and is a general perspective for reasonably arranging and building construction objects.

By defining fundamental requirements and establishing the construction statement issuance system for general planning of industrial construction, municipal and rural construction, and categorized construction, the Construction Law enables us to accurately define direction and scale of construction in conformity with the people's increasing material and cultural needs and the demands of economic development, prevent excessive expansion and pollution in cities so that people enjoy hygienic cultural living environment, and to prospectively carry out construction under unified and comprehensive plan without departmentalism in construction.

By defining construction design, along with general construction plans, as the basic content of construction project, the Construction Law also stipulates the need to properly establish a system of mapping out construction designs and make a rational use of the designing force to give precedence to design in construction.

Construction design is an operation document set up to fulfill the construction plan of the party and the country and a legal document that cannot be modified. Construction design defines the concrete content of technological (?process) of construction projects. Without construction design, construction plans cannot be correctly mapped out and construction cannot be carried out in a scientific and technological manner.

The Construction Law defines tasks and ways of properly considering economic effectiveness in the stage of designing and correctly applying the principle of national in style and socialist in content in designing.

Construction is work responsible for setting up grand construction projects. The Construction Law stipulates the need to correctly draft construction plans befitting each construction project, to thoroughly adhere to the system of launching construction on the basis of construction (?specification), to properly carry out guidance in construction, and to undertake construction in conformity with demands of designing and technical regulations.

Expounded in the law and the need for building sectors to endlessly enhance the level of industrialization and modernization by establishing firm material and technical foundation and tasks arising in the work to ensure construction materials and equipment. Such legal regulation firmly ensures construction to be carried out on time by enhancing the role and strength of organs and plants undertaking construction and construction, and organs and plants providing materials and equipment.

The Construction Law, by strengthening the system of inspection of buildings upon completion, stipulates the legal requirements on using or starting operations after passing building inspection tests.

The inspection of buildings upon completion is an important process in which the quality of already constructed buildings are finally assessed. Only when inspection of buildings upon completion is carried out in accordance with the regulations and by taking an attitude of befitting masters, the quality of buildings will be enhanced and production will be normalized as soon as operation starts. In doing so, excellent and cultural living conditions will be provided for the people.

By stipulating the steps and process of building inspection and the duties and principle of organizing the committee for inspection of buildings upon completion, the Construction Law enables builders to complete construction at an early date and guarantee the quality of buildings by enhancing their responsibilities in every step of construction and by eradicating errors and repeats.

The state guidance in and control of construction is one of the most important contents of construction work. The Construction Law manifested specific duties of the state organs and supervisory and control organs, and extensively stipulated questions arising in properly carrying out their responsibilities and roles.

Such legal regulation firmly ensures us to reduce the rate of incomplete construction, to firmly carry out construction projects, to sternly abide by the cooperative-time regulations, to constantly improve construction work, and to raise the quality of construction design by actively introducing the results and experience of advanced construction science and technology.

The DPRK Construction Law is a basic law of the construction sector, which has fully reflected the policies of the WPK or all policies of the Government of the Republic in connection with construction work. This is the most people-oriented legal means that can outstandingly provide the independent and creative living conditions for our people at the highest level, as well as a revolutionary code of laws that has elucidated the way to remold and transform nature as demanded by chuche. [applause]

The adoption of the Construction Law will vigorously inspire the struggles of our people who are persistently advancing to endlessly protect the popular mass-centered socialism of our own style and to display its superiority more highly. [applause].

Comrade Deputies: The law of the country in the socialist society is an ideal of our popular masses and it is the people's sacred duty to thoroughly protect, abide by, and execute it. The revolutionary and people-oriented policies of the party and the state regarding the construction work will be brilliantly carried out only if all organizations, enterprises, and the people correctly observe and execute principles, demands, and tasks set forth in the Construction Law. Also, the independent and creative living conditions of our people will be provided more satisfactorily.

The government organizations at each level and other relevant organizations and enterprises must largely explain and propagate the revolutionary essence, superiority, contents, and demands of the Construction Law. As a result, they must make functionaries and working people raise a law-abiding spirit and newly formulate regulations and rules needed for the execution of the law in order to practically implement the demands of the Construction Law.

Along with this, the state construction supervisory organization and other relevant supervisory and control organizations must strengthen the supervisory and control work in order to solve the problems in the execution of the Construction Law in a timely manner.

The government organizations at each level and functionaries of the construction sector must thoroughly implement the Construction Law which will be deliberated and adopted by the SPA. As a result, they must greatly contribute to hastening the consummation of the socialist cause and the historic cause of national reunification in our country by brilliantly executing the grand construction plan of the great leader Comrade Kim Il-song and the construction policies of the party. [applause]

Draft Construction Law Read

SK1412100093 Pyongyang Korean Central Broadcasting Network in Korean 0719 GMT 10 Dec 93

[Draft of the Law on Construction read by Kim Yun-hyok, deputy to the Supreme People's Assembly and vice premier of the Administration Council, adopted at the Sixth Session of the Ninth SPA held at the Mansudae Assembly Hall in Pyongyang on 10 December—recorded]

[Text] According to Article 95 of the DPRK socialist Constitution, I will read the draft of the Law on Construction that is being presented for Supreme People's Assembly [SPA] deliberation by the Administration Council.

The DPRK Law on Construction:

Chapter 1. Rudiments of the Law on Construction

Article 1. The DPRK Law on Construction will contribute to ensuring the high rate of socialist enlarged reproduction and enhancing the people's material and cultural living standards by establishing discipline and order in the drafting and fulfillment of the general plan of construction, design and construction, and inspection of the buildings upon their completion.

Article 2. In the DPRK, great efforts shall be directed to the construction of cities and farms, the construction of harbors, and irrigation setups according to the correct policy of construction to build a large number on monumental edifices, modern factories and enterprises, dwelling houses, and establishments, and provide the people with good conditions for their independent and creative life. With the consolidation of the results achieved in construction, the state will build urban and rural residential houses at its expense, while ensuring the balance between productive and nonproductive construction.

Article 3. Construction is important work that continues eternally. The state will establish a unified control on construction and undertake it under a far-reaching plan.

Article 4. Carrying out construction in accordance with the people's intentions and demands is a consistent principle, which the state is adhering to. The state shall undertake construction to suit the country's specific reality, its natural and geographical conditions, and the people's needs, sentiments, and customs.

Article 5. The state will correctly define the order of priority in construction, concentrate efforts on important construction projects to finish construction ahead of schedule, and work to enhance the economic effectiveness of the investment.

Article 6. The state will accelerate the technological revolution to strengthen the material and technological basis of the construction sector, and will work to endlessly enhance the industrialization and modernization level of the construction.

Article 7. The state will regularize and normalize construction to establish a system and order in construction work. The state will also work to enhance the speed and quality of the construction and lower the cost of construction.

Article 8. Under a long-range program, the state will foster talented men in the field of science and technology necessary in the construction sector, will strengthen scientific research work, and work to widely adopt the results of advanced science and technology in construction.

Article 9. The state will develop exchange and cooperation with many countries of the world and international organizations in the field of construction.

Chapter 2. General Plan of Construction

Article 10. The general plan of construction is an overall long- range plan to rationally distribute construction projects and construct them in a planned way. The general plan of construction will be established according to the overall plan of land construction.

Article 11. The following principles will be abided by in establishing the general plan of construction:

1. Work will be carried out to eternally preserve revolutionary battle sites and historical revolutionary sites.
2. Work will be carried out to preserve historical relics and natural monuments.
3. The direction of construction and its scale will be prioritized considering the increase of the people's material and cultural demands and the demand of the economic development.
4. The plants and enterprises will be located near the sources of raw material and fuel and consumption areas of goods.
5. Reasonable sizes of cities will be adopted and satellite cities around the capital and other big cities will be distributed rationally.
6. The existing buildings and facilities will be utilized rationally and will widely adopt achievements of advanced science and technology.
7. Natural resources will be protected and will not locate cities and villages in the areas of deposits of valuable minerals.
8. Mountain slopes and the underground will be utilized to the utmost, and work will be carried out to enhance the use of building sites.
9. Work will be carried out to unite national and modern characteristics, and ensure three-dimension, nonrepetition, and unity in establishing the general plan of construction.
10. Except for maintaining the buildings in the DPRK-style, other forms of buildings will not be arranged.
11. The construction of the underground technological facility network will be put in the forefront to rationally arrange the transportation network.
12. A favorable natural environment for the living standard of the residents will be created and work will be carried out to prevent pollution.

Article 12. The general plan of construction will be established by dividing it into the general plan of industrial construction, the general plan of the construction of cities and villages, and the general plan of construction according to sectors.

Article 13. The general plan of construction which has national important significance will be approved by the Administration Council, and other general plans of construction will be approved by the state construction supervisory organization. The general plan of construction cannot be changed without approval.

Article 14. The state planning organization and the construction-related institutions, complexes, and organizations will decide on the precedence of construction in accordance with the approved general plan of industrial construction, the general plan of the construction of cities and villages, and the general plan of construction according to sectors. They then will establish the construction plan.

Article 15. The construction-related institutions, complexes, and organizations will receive the document for designating the location of the building and the document on clearly elucidating the specifics of the building. The document for designating the location of the building and the document on clearly elucidating the specifics of the building are issued by the state construction supervisory organization.

Article 16. Land that is within the scope of the approved general plan of construction will be the building site. The construction-related institutions, complexes, and organizations will receive approval for the use of the land in accordance with the precedence of construction. The related organization will carry out the work through the approval of using land based on the document for designating the location of the building and the document on clearly elucidating the specifics of the building.

Chapter 3. Construction Design

Article 17. Carrying out the construction design work will be a prerequisite in enhancing the quality of the buildings. The state will properly establish a system of mapping out construction designs and make a rational use of the design force to give precedence to design in construction.

Article 18. The construction design will be drawn up by the professional construction design organizations and enterprises. The construction-related institutions, complexes, and organizations and related design organizations and enterprises will conclude a design contract.

Article 19. The construction-related institutions, complexes, and organizations will guarantee technological tasks and the document on clearly elucidating the specifics of the building to the construction design organizations and enterprises. In developing the underground resources and in the technological course of construction projects for accepting new technological process, the underground resource survey material or the test material of the intermediary pilot plant approved from the related organization will be submitted.

Article 20. The construction design will be drawn up by dividing it into task construction, technology construction, and work construction. Before mapping out the design, the organizations and enterprises of the construction design will make estimations and geological surveys and decide on a rational construction design by calculating the economic effectiveness.

Article 21. The organizations and enterprises of the construction design will apply the national reality and the socialist content in design, and standardize designing to ensure both the speed of designing and the quality of designs.

Article 22. Construction designing institutions and enterprises shall design structures on a liability system and be held responsible for implementing their designs.

Article 23. Construction designing institutions and enterprises shall hand over their design drafts to construction-bidding [konsolju] institutions, enterprises, and organizations. Construction-bidding institutions, enterprises, and organizations shall review the design drafts and agree to them within a certain period of time.

Article 24. Construction designing institutions and enterprises shall complete their design drafts after collecting opinions from the joint designing committee, in which scientists, technicians, experts, and functionaries of sectors concerned shall participate.

Article 25. Each construction design shall be approved by the State Administration Council and a sate organization in charge of supervising constructions or a related organization. Construction with an unapproved design or a changed one of an approved design shall be prohibited.

Article 26. The procedure of approving designs for overseas construction and design exports and imports [suchul solgye suip solgye] shall be specified separately.

Article 27. Construction designing institutions and enterprises shall correctly sum up the designing of each structure upon its completion.

Chapter 4. Construction

Article 28. Construction is important work to build structures. The state shall organize construction-carrying out [sigongju] institutions and enterprises in each construction sector and enhance their responsibility for construction.

Article 29. The state planning organizations shall correctly explain their plant construction plans to construction institutions and enterprises. Construction of plants, which are not included in the plans, shall be prohibited.

Article 30. Construction-bidding institutions, enterprises, and organizations shall obtain construction permission from state organizations in charge of supervising construction.

Article 31. Local administrative and economic organizations as well as construction-bidding institutions, enterprises, and organizations shall remove or move unnecessary buildings and facilities in authorized construction sites and guarantee the normal operation of public facilities such as roads and water supply and drainage systems.

Article 32. Construction-bidding and construction-carrying out institutions, enterprises, and organizations shall sign a construction contract based on the construction plan and be held responsible for its implementation.

Article 33. Construction-carrying out institutions, enterprises, and organizations shall plan and coordinate the construction organization and technology, build structures in accordance with the demand of each construction design and standard regulations of operation, and meet the deadline of each construction project. They shall not damage or contaminate the natural environment during the construction.

Article 34. Construction-bidding and construction-carrying out institutions, enterprises, and organizations shall employee inspectors and receive thorough inspections of the quality of construction through process inspections, interim inspections, and general inspections. When they fail to pass the quality inspection, they shall not continue the process of construction.

Article 35. State planning organizations and related institutions, enterprises, and organizations shall supply building materials and plant facilities prior to each construction project. Building materials and plant facilities shall not be supplied to other sites.

Article 36. Construction-carrying out institutions, enterprises, and organizations shall prepare production bases of gravels, sands, building parts and elements, and building machinery as well as repairing bases of building machinery and increase the production of them so that they can carry out mechanization, general mechanization, and automation of construction work.

Chapter 5. Inspection of Structures Upon Their Completion

Article 37. Inspection upon the completion of structures is an important step in the final evaluation of completed structures. The state shall fortify the system of inspection upon completion of structures.

Article 38. Upon completion, a structure shall be inspected. Inspection of a completed structure shall be carried out by sector or by stage according to each construction project.

Article 39. Institutions, enterprises, and organizations carrying out construction, shall notify construction-bidding institutions, enterprises, and organizations of the completion of a structure after an unloading test operation [mubuha siunjon] of the completed facilities. Institutions, enterprises, and organizations involved in bidding for construction shall validate the loading test operation [puha siunjon] and preparations for inspection of the completed facilities upon completion and shall apply for a completion inspection to the state organization in charge of supervising construction.

Article 40. State organizations in charge of supervising construction shall organize a committee to inspect the completion of each structure with professional functionaries concerned from institutions, enterprises, and organizations involved in bidding for and carrying out construction. The committee for the inspection of completed structures shall strictly examine whether the structure has been built in accordance with an approved construction design and regulations.

Article 41. The committee for inspection of a completed structure shall determine whether it passes the inspection based on the inspection results. Institutions, enterprises, and organizations bidding for and carrying out construction, and related plant facility-producing institutions and enterprises shall be obligated to implement what was pointed out in the inspection of the completed structure.

Article 42. State organizations in charge of supervising construction shall issue completion notices for structures passing completion inspections. After receiving a completion notice for a structure that passes inspection, the institution, enterprise, or organization carrying out construction shall hand the completed structure over to the institution, enterprise, or organization bidding for the construction. Structures that do not pass completion inspections shall not be operated or used.

Article 43. Institutions, enterprises, and organizations carrying out construction and related institutions and enterprises shall guarantee the quality of structures for a certain period time. The responsibility for any accident that occurs to a structure during the warranty period shall be attributed to the related institutions, enterprises, and organizations according to the result of the technological evaluation by the state organization in charge of supervising construction.

Chapter 6. Guidance for and Control Over Construction

Article 44. Correct guidance for and control over construction is an important requisite to the precise implementation of the state's construction policy. The state shall establish the guidance system for construction and intensify control over it.

Article 45. Guidance for construction shall be conducted by relevant central institutions and local administrative and economic institutions. Relevant central institutions and local administrative and economic institutions shall do their utmost [chongsangchokuro] to grasp the status on the undertaking of the construction project and the status on utilizing construction labor, facilities, materials, and funds, and give guidance so as to reduce unfinished construction work and carry out the construction plan without fail.

Article 46. The state planning institution and the person, institution, and enterprise that are engaged in building operations shall ensure the precise sharing of the cooperative building operations of major construction projects, conduct efficient commanding work for building operations, and abide by the rules on cooperative building operations.

Article 47. Financial institutions, banks, individuals, institutions, enterprises, and organizations that conduct building operations shall implement the spot evaluation system to enhance the quality of construction work, save labor, materials, and funding, and to reduce the construction period.

Article 48. The science and technology administrative organizations and relevant organizations shall intensify the construction science and research work and solve the scientific and technological problems arising in construction. Individuals, institutions, enterprises, and organizations that undertake construction and relevant organizations shall actively introduce successes attained in construction science and research work.

Article 49. The state's construction supervising institutions shall set the construction standard based on the success of the advanced construction science and technology and based on the experience in construction, and apply it precisely to the construction design and building operations.

Article 50. Supervision and control over construction shall be conducted by the state construction supervisory institutions and relevant supervisory and control institutions. The state construction supervisory institutions and relevant supervisory and control institutions shall do their utmost to supervise and control the realization of the general construction plan and the status of designing for construction and building operations.

Article 51. Structures built in violation of the general construction plan and with disregard for the construction design in building operations shall be removed and or compensation shall be made for the loss thereof.

Article 52. In the event that construction is carried out without a construction plan or construction permit and in the event that a building operations log is not kept, construction shall be suspended, and the building structure shall be confiscated or funding shall be suspended.

Article 53. Administrative or criminal charges shall be brought according to the circumstances, against responsible functionaries and citizens of institutions, enterprises, and organizations that violate this law and cause grave consequences.

Daily Writes on Implementing Economic Strategy

SK1312065593 Pyongyang KCNA in English 0429 GMT 13 Dec 93

["NODONG SINMUN Calls For Turn-out in Struggle To Implement Party's Revolutionary Economic Strategy"—KCNA headline]

[Text] Pyongyang, December 13 (KCNA)—NODONG SINMUN today calls on the entire party members and other working people to turn out in the struggle to implement the revolutionary economic strategy of the party by displaying a high degree of revolutionary spirit of self-reliance and hard struggle.

The recent 21st plenary meeting of the 6th Central Committee of the Workers' Party of Korea, on the basis of a deep analysis of the changed situation and the realistic demand of socialist construction in our country, defined the upcoming 2 or 3 years as an adjusting period of socialist economic construction and advanced the strategic policy of giving priority to agriculture, light industry and foreign trade in the period.

In an editorial headlined "Let Us Step Up General March of Socialism by Giving Full Scope to Revolutionary Spirit of Self-Reliance", the paper says that for our people to highly display the revolutionary spirit of self-reliance and hard struggle is an important demand in carrying out the revolutionary economic strategy of the party.

Only when we wage the struggle to implement the strategy from a revolutionary stand of relying on our strength, technology and natural resources under all circumstances can we resolutely smash all manner of challenges and obstructions of the imperialists and reactionaries, staunchly defend our-style socialism and firmly safeguard the dignity and honor of the country.

Stressing the need to effect a new revolutionary upsurge in socialist construction under the revolutionary banner of self-reliance, the editorial continues:

Let us effect a great upsurge in economic construction in the spirit of Chollima spurred on by the 'speed of the 90s'—this is now the call of our party and the slogan of our people.

If the entire people are to live and struggle in the spirit of self-reliance and the spirit of Chollima, it is imperative for them, first of all, to have an unshakable resolution and determination to defend and glorify the banner of socialism by their strength, believing in it.

Our people are not a people who abandon the independent stand under pressure from anyone and not a people who look for the help of others, placed in difficulties.

The will of our people to realize the ideal of socialism in this land by their own efforts, wisdom and resources will remain unchanged in the future.

Kim Chong-il Sends Birthday Table to Professor

SK1312102093 Pyongyang KCNA in English 1002 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—Prof. and Dr. Yi Chae-pok, a researcher of the Institute of Hydraulic Engineering of the Academy of Sciences, received a table from the dear leader Comrade Kim Chong-il on his 80th birthday.

Under the Japanese imperialist rule over Korea, he graduated from a university but could not realise his dream of scientific research. After the liberation of the country, he could bring his talent into full play under the deep trust and loving care of the party and the leader.

He has trained more than 30 persons to be doctors and associate doctors and written many textbooks and reference books.

Upon receiving the birthday table associated with affection, Yi Chae-pok said he would train more young scientists to the last moments of his life and achieve greater success in scientific research so as to live up to the favours of the party and the leader.

So Pyong-chol, adviser-chairman of the management board of the Nihyon cooperative farm in Sadong district, Pyongyang, received a table from Comrade Kim Chong-il on his 70th birthday.

Before the liberation of the country, So Pyong-chol could not afford to go to school. The great leader President Kim Il-song and the dear leader Comrade Kim Chong-il brought him up to be a managing official of the farm and labour hero.

The dear leader pursues a noble policy of trust and love, always treating the people as high revolutionary comrades, eternal companions and reachers and bestowing all the honour and happiness on them.

Kim Chong-il's Works Study Society Meets

SK1312102193 Pyongyang KCNA in English 1007 GMT 13 Dec 93

[Text] Tokyo, December 10 (KNS-KCNA)—A preparatory meeting for the inauguration of a national organisation of the Society for the Study of Kim Chong-il's Works was held in Tokyo on November 23.

In his report to the meeting, Sakie Iraki, chairman of the Shizuoka, Japan, Society for the Study of Kim Chong-il's Works, said it was very important to actively learn from the ideas and theories, exploits and noble virtues of Comrade Kim Chong-il in order to make the 21st century an age of the popular masses, an age in which independence, intrinsic demand of mankind, has been achieved.

"We should make the Society for the Study of Kim Chong-il's Works a new socio-political organism as required by the chuche idea, and what is important here is to make all societies inaugurated across Japan a socio-political organism," he stressed.

He said that Comrade Kim Chong-il is the great thinker and theoretician who expounded the question no one had clarified in the history of human thought and he is the leader of Korea as well as the world.

"To follow Comrade Kim Chong-il makes it possible to hew out a new age," he emphasized.

Kenichi Ogami, permanent chairman of the Society for the Study of Kimilsongism of Japan, referred to the significance of the inauguration and activities of the Society for the Study of Kim Chong-il's Works. He said the inauguration of the national organisation of the society would provide an occasion of exerting great ideological influence on the study and dissemination of the chuche idea and social movements as a whole in Japan, and it would serve as a model showing how the study and dissemination of the chuche idea should be conducted in the world in future.

Social Democratic Party Organs Discuss Program

OW1012125993 Pyongyang KCNA in English 1054 GMT 10 Dec 93

[Text] Pyongyang, December 10 (KCNA)—A debate on a draft of a new programme is going on at organizations of all levels of the Korean Social Democratic Party.

On October 12, the Political Committee of the Party Central Committee discussed the draft presented by the drafting committee of the party.

The draft defines the idea of independence oriented to three objectives—making people, the nation and humanity independent—as its new political idea, raises it as the main policy to build an independent society, achieve independent reunification for the present and finally create a future society, an independent world where the three demands for independence would be met and sets ten-point basic tasks to this end.

After a sincere discussion of the draft, the Political Committee decided to have an all-party debate on it.

According to the decision, the debate on the draft is now brisk at the provincial, city and county party committees. Party members have fully supported the definition of the party's political idea as the idea of independence, raising constructive opinions about the ten-point basic tasks.

Features of 'Modern Rural Villages' Described

SK1412062093 Pyongyang KCNA in English 0417 GMT 14 Dec 93

[Text] Pyongyang, December 13 (KCNA)—The Song "An Urban Girl Marries a Village Man" is widely sung among the young people of Korea.

This song which is heard in all parts of the country well reflects the reality and life in the Korean rural villages good to live in, which are taking on the looks of the town.

The modern rural villages which resemble a district of a city, the bountiful material life of the farmers and their abundant cultural and emotional life not inferior to those of the urban dwellers have brought a change in marriage relations.

In the past the Korean countryside was very backward and farmers were removed from modern civilisation owing to the Japanese imperialist colonial rule and thousands of years of feudal exploitation and oppression. The tendency to go to town in marriage was prevalent in the countryside. It was an inevitable outcome of the distinctions between town and country and between workers and peasants. But, now, urban girls go to the countryside to get married.

Today the countryside of Korea has changed its looks beyond recognition. Traces of ramshackle huts, a symbol of the poor and poverty, were removed and many modern dwelling houses took shape in their places.

In particular, a large number of rural towns have made their appearance in different parts of the country since the great leader President Kim Il-song, personally taking charge of construction in the 1970s, built a "communist ideal village" which would be flawless in the distant future, too, in Oguk-ri, Anak County.

Hundreds of thousands of modern rural dwelling houses were built throughout the country in the 80s, including more than 50 villages with silicate brick houses in the rural villages around Pyongyang and over 40 "Unjong villages" in North Hwanghae Province.

Entering the 90s, the rural construction is progressing on a larger scale. Last year, too, new villages reminding one of a town took shape in 950 odd cooperative farms.

Multi-storied or one-storied houses with several rooms per family are appointed with fashionable furniture and articles for cultural use.

In recent years, central heating and gas were introduced in many rural villages including Chongsan-ri and Kochang-ri in Nampo Municipality, Kumchon-ri in Sunchon City and Misang-ri in Anju City.

Farmers are provided with such dwelling houses by the state and enjoy all benefits, such as free education, free medical treatment, rest at sanatoria and holiday homes, and public security, equally like factory and office employees.

Every ri (rural village) has a house of culture, a people's hospital, shops, a tailor's and all other cultural welfare facilities and service networks and well-furnished primary and senior middle schools and other educational centres. With the introduction of water plumbings, bus service and TV sets in the countryside, the living conditions of the farmers now are not inferior to those of the urban dwellers. In particular, as a result of the completion of irrigation and electrification of agriculture and successful promotion of the mechanisation and widespread use of chemicals the farmers who were doing farming with difficulty, pulling a plough in the past, now produce a high yield of grain every year, while working hands down with the help of highly efficient machines and chemicals.

After their worthwhile labour farmers enjoy various cultural and emotional life in the evening.

In Korea now the guidance of the working class to the peasantry, the assistance of industry to agriculture and the support of town to the countryside have been strengthened in every way under the rays of the great socialist rural theses, with the result that the distinctions between town and country have diminished fundamentally.

South Korea

Government Outlines Agreement on Market Opening

SK1312232493 Seoul YONHAP in English 2315 GMT 13 Dec 93

[Text] Geneva, Dec. 13 (YONHAP)—South Korea has agreed to open its rice market to imports one to four percent of its domestic consumption during a 10-year grace period from 1995, Agriculture, Forestry and Fisheries Minister Ho Sin-haeng said Monday.

South Korea has agreed to completely open its market for foreign beef in 2000, three years later than it had originally planned, but pledged to drastically increase import quotas before the complete market opening, Ho said.

The Korean farm trade negotiations were wrapped up in a meeting Monday between Ho and his U.S. counterpart Mike Espy.

South Korea and the United States submitted their agreements to the General Agreement on Tariffs and Trade (GATT) Secretariat.

Seoul has agreed, as was expected, to give foreign rice minimum market access of 1 percent to 2 percent of 1986-88 domestic consumption in the first five years from 1995 and 2 percent to 4 percent in the rest of five years.

As a result, Korea will import about 390,000 sok of rice in 1995 and raise the import volume to 1,580,000 sok by 2004, the last year of the 10-year grace period for tariffication.

These conditions are believed to be considerably better than those for Japan, which was forced to open its market with minimum market access of 4 percent to 8 percent during a six-year grace period.

As for imports of beef, whose market opening was strongly demanded by the United States, Korea managed to put off complete market opening to July 2000, or three years later than it had promised to GATT, but agreed to increase the amount of imports drastically.

Korea will open its market for pork, chicken, dairy products, tangerines, red pepper, garlic, onion, sesame and eight other balance of payments products from 1995, but will impose much higher tariffs.

Korea will also open its market for barley, sweet potatoes, corn, potatoes, beans and other basic farm products, but their prices will be raised to those of domestic products through tariffication.

Economic Planning Minister Cited

SK1412131293 Seoul YONHAP in English 1250 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—South Korea has been given a 10-year grace before opening its rice market under tariffication and will allow the imports of foreign rice in amounts equivalent to 1 to 4 percent of domestic rice consumption during the grace period from 1995 to 2004, Deputy Prime Minister Yi Kyong-sik announced Tuesday afternoon.

At a press conference at the Kwachon Government Office, Yi said Korea will expand beef imports quota beginning 1995 before completely liberalizing its imports in 2001.

Beef imports will be raised from 99,000 tons this year to 225,000 tons in 2000, he said.

Yi, who is also economic planning minister, said the final draft farm goods agreement providing a special treatment of the rice issue for Korea, has just been approved by a meeting of the chief representatives of the market access group.

Under the agreement, the minimum access ratio will rise by 0.25 percent a year from 1 percent (about 390,000 sok) in the initial year of 1995 to 2 percent in the fifth year, 1999.

Beginning the sixth year, 2000, the access ratio would increase by 0.5 percent a year to 4 percent (about 1,580,000 sok) in the final year of 2004, the deputy premier said. He also said the beef market will be opened in 2001, but the beef tariff rate will be raised from the existing 20 percent to 43.6 percent.

Beef import quota before market opening will be 123,000 tons in 1995, 13,000 tons more than the original plan, which will be expanded to 225,000 tons in 2000. Yi said that whether to implement the proposed tariffication beginning 2005 when the grace period will be over, will be determined through negotiations to be held in 2004, the final year of the grace period.

If the grace period were to be extended, there would need additional concession like an increase in the minimum market access ratio, he said.

Yi further said the foreign rice to be imported under the minimum market access system will not be limited to American rice.

"We can import it from any country and we are working on a method of separately managing a rice imports conduit," Yi said.

Textiles Market To Open Fully in 2005

SK1412045093 Seoul THE KOREA HERALD in English 14 Dec 93 p 8

[Text] The international textile trade, which has been governed by the Multi-Fiber Agreement (MFA), will be fully liberalized starting 2005, instead of 2010 as has been demanded by the United States.

According to reports from Korean trade negotiators in Geneva, the United States has withdrawn its demand that the gradual transition of the textile trade from the MFA to the GATT (General Agreement on Tariffs and Trade) regime be completed over 15 years, instead of the previously proposed 10 years, starting 1995.

The U.S. withdrawal of its revision proposal has heightened the probability that the 40 member countries of the MFA will endorse the textile text of the Draft Final Act (DFA) that was presented in December 1991 by Arthur Dunkel, former GATT secretary-general.

The DFA calls for a four-stage liberalization of the textile trade. In the first three years from 1995, 16 percent of textile products controlled by the MFA will be liberalized. During the next four years, 17 percent will be freed, while the last three years will see another 18 percent deregulated. The remaining 49 percent will be liberalized en masse in 2005.

During this transition period, import quotas for textile products will be gradually increased—by 16 percent in the first three years, 25 percent in the next four years and 27 percent in the final three years.

According to officials at the Ministry of Trade, Industry and Energy, the envisioned changes in the textile trade regime will benefit the domestic textile industry in the long run.

"The gradual increase in textile quotas over the next 10 years will be disadvantageous to us because Korean textile manufacturers have in recent years been unable to produce enough to fill even their given quotas," said Yi Chong-tae, an official of the ministry's textile department.

But the negative effects will not be great as only 24 percent of the nation's total textile exports are affected by bilateral quota arrangements with importing countries, Yi added.

The nation has such arrangements with the United States, the European Community, Canada, Norway, Sweden and Austria. The remaining 76 percent of textile exports are either products not regulated by the quota system or those sent to other regions of the world.

"In the long run, the liberalization of the textile trade will help boost the nation's exports as the domestic textile industry will have been restructured by 1995, the year the seven-year textile industry revitalization program is completed," Yi said.

Government Procurement Market To Open in 1997

SK1312030293 Seoul YONHAP in English 0229 GMT 13 Dec 93

[Text] Geneva, Dec. 12 (YONHAP)—South Korea will open its 10 trillion-won (12.36 billion U.S. dollars) government procurement market in 1997 and gain access to other countries' markets under the General Agreement on Tariffs and Trade (GATT) accord, officials said Sunday. In negotiations among 23 countries, Korea promised to accept foreign bids for purchases by 42 central government agencies, five city and nine provincial governments, and 23 government-invested institutions. Procurement covers goods, services and construction, and the Agency for National Security Planning (NSP), Presidential Security Office, Presidential Secretariat and Emergency Planning Office are about the only exceptions to this code, the officials explained.

The GATT code allows Korea to compete in the 95 billion-dollar market in the United States, 150 billion-dollar market in the European Community and 40 billion-dollar potential in Japan. The accord will automatically open Japanese construction market to Korean bidders, ending years of knotted bilateral negotiations.

The minimum bidding line is 130,000 Special Drawing Rights (SDR) for central government-purchased goods and services and 4.5 million SDR for construction. One SDR equals approximately 1,000 won. The lowest line for local government procurement is 180,000 SDR for goods and services, and 15 million SDR for construction. For government-invested institutions, the criteria are 450,000 SDR for goods and 15 million SDR for construction.

The minimum bidding line may go up in construction, however, as other parties insist on 45 million SDR for local governments and government-invested organizations.

Officials said they went along with 15 million SDR but are willing to be flexible.

Other members must practice the new GATT code by 1996, but Korea will have an extra year since it is a new member and needs time to prepare, the officials said. Seoul hopes, however, to keep its special considerations for small- and medium-sized businesses by guaranteeing them priority in certain procurement areas and asks for a five-year additional grace period for satellite procurements.

Korea also wants to exclude heavy electric machinery, bought mostly by Korea Power Electric Corp., and Korea Telecom's Telecommunications machinery and networks from the new rule, the officials said.

Opposition to U.S.-Korea Accord on Rice Terms

SK1412024593 Seoul YONHAP in English 0234 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—Approval of South Korea's Uruguay Round [UR] farm deal with the United States is being delayed by opposition from other farming countries to the relatively favorable terms on rice market opening, according to a report from the Korean delegates in Geneva.

Senior representatives of the UR market access group met Monday to approve Korea's farm trade terms at the request of General Agreement on Tariffs and Trade (GATT) Director-General Peter Sutherland, but ran into opposition over Korean rice market opening terms.

Japan and Canada, which equally have to open their farm markets, complained the United States made too many concessions to Korea.

Rice exporters Australia and Thailand spoke against the unexpectedly low import access to the Korean market, according to the report from Geneva.

Japan and Canada said that although Korea is less developed than themselves, the opening terms were too unbalanced.

Australia and Thailand, which long prepared for Korea's market opening, expressed disappointment over the small import quota.

Though not officially announced, Seoul and Washington agreed on opening of the Korean rice market by minimum access of between 1 percent and 4 percent for 10 years before tariffication.

Market access group representatives agreed to meet again on Tuesday and discuss Korea's farm opening again then.

The Korean Government, which predicted the rice agreement would be approved, was to call in an international policy coordination meeting on Tuesday morning but had to delay it until the deal wins multinational approval.

U.S.-EC Dispute Said To Delay Notice

SK1412030593 Seoul YONHAP in English 0250 GMT 14 Dec 93

[Text] Geneva, Dec. 14 (YONHAP)—A U.S.-EC dispute is delaying official announcement of details of South Korea's rice market opening, and it may have to wait until Tuesday morning. Korean officials insist that the terms of the Seoul-Washington agreement are not final until other countries approve them, the GATT Secretariat puts them in print and the multilateral meeting of chief delegates accepts them.

Getting other countries to go along is a hard task, especially because Korea won an exceptionally good bargain for rice. Some even show distrust that Korea agreed to under-the-table deals to import more beef and rice just from the United States.

The [Germaine] Denis proposal will include phrases and words explaining why South Korea gets exceptional terms in rice market opening, according to Korean delegates. It will state that rice is the main staple of developing countries and describe the rice industry from the perspective of national and environmental security, which is GATT's way of justifying the special treatment for Korea.

South Korean officials took pains to confuse reporters when specific numbers, and correct ones at that, on the grace period and minimum market access began to appear in newspapers.

One percent to 4 percent minimum market access was reported from Friday in the Japanese press, but officials vehemently denied the numbers were correct. It turned out later that that was exactly the time Korea and the United States agreed on the terms to rice market opening.

South Korean delegates were obviously in harmony with U.S. Agriculture Secretary Mike Espy and had only good words for him. Espy sincerely listened to Korea's problems, they say. He had plenty of time to listen—he sat down to a gruelling marathon talk that lasted for three consecutive sessions in one day.

Pak Un-so, assistant trade, industry and energy minister, was not lucky with his negotiating partners. He was threatened when tugging a rope on industrial goods market opening by U.S. officials, who said they would complain to his superiors of his "disobedience."

While angry at the tactic, the Korean officials gave the U.S. officials due credit for knowing that getting to their superiors was the quickest way to expedite the talks.

Negotiator Describes Dealings With U.S.

SK1412010293 Seoul YONHAP in English 0048 GMT 14 Dec 93

[Text] Geneva, Dec. 13 (YONHAP)—South Korea's chief Uruguay Round [UR] negotiator, Agriculture, Forestry and Fisheries Minister Ho Sin-haeng, emerging from high-stakes talks with the United States on rice market opening, said Monday that he had been "to hell and back."

"I never imagined negotiations with the United States would be this hard," Minister Ho told reporters after his last talks with U.S. Agriculture Secretary Mike Espy. "I have been to hell and back. I did my best for my country's interest."

The results, to be announced officially after multilateral approval, include a 10-year grace period before rice imports through tariffication. Korea will allow 1 to 2 percent market access during the first five years and 2 to 4 percent during the final five years. He and Espy both believe the outcome is the result of their best efforts Ho said.

"You will see that South Korea won the most special treatment in comparison to other countries," Ho told reporters.

Complaints of unfairness by Japan, Australia, New Zealand and Canada were the biggest hindrances in the negotiations, he said.

"It's true that the results of the talks were heavily influenced by these countries," Ho said. There were reports that Korea sought a grace period for minimum market access, but the agriculture minister explained that GATT rules do not allow such a grace period when tariffication is also in abeyance.

Inspections of Foreign Products To Expand

SK1412140593 Seoul KBS-1 Television Network in Korean 1230 GMT 14 Dec 93

[Text] Regarding the people's health, the Ministry of Health and Social Affairs has decided to further strengthen the quarantine standard for agricultural and fisheries products in preparation for the import of considerable amounts of foreign agricultural and fisheries products as a result of the compromise of the Uruguay Round negotiations.

Accordingly, the Ministry of Health and Social Affairs will expand the maximum permissible limit, which is currently being applied to approximately 56 agricultural products and another 38 agricultural chemicals, to the majority of agricultural products beginning next year. It has decided to increase from the current 38 agricultural chemicals that have been applied to the maximum permissible limit to 105 agricultural chemicals.

Also, the government has decided to increase contamination checks on imported rice from the current 24 agricultural chemicals to 58 agricultural chemicals and to block the importation of agricultural and fisheries products contaminated by all agricultural chemicals.

'Poisonous' Chemicals Found in Foreign Grains

SK1412144693 Seoul HANGUK ILBO in Korean 14 Dec 93 p 30

[By reporter Yim Chong-myong from Kwangju]

[Text] Poisonous agricultural chemicals harmful to the human body have been detected in wheat, pine nuts, and other agricultural products imported from the United States, Australia, and China, thus shocking the people.

According to the South Cholla Province Public Health Environment Research Institute on 13 December, as a result of the inspection of remnants of agricultural chemicals conducted by this institute from January 1992 up to date at the request of the Mokpo Quarantine Station and Mokpo Customs, eight kinds of agricultural chemicals, including achinposmethyl [as transliterated] which is a highly poisonous agricultural chemical, were detected from 12 cases out of 17 in U.S. wheat.

As for the case of Australian wheat, two kinds of agricultural chemicals were detected from 2 cases out of 4. In particular, in case of low protein white wheat inspected from 9 June to 13 July 1992, chiopaneitmethyl [as transliterated]—an agricultural chemical made of kavameit [as transliterated] with cancer-causing materials and mutation—was detected and the detected quantity was 0.84 ppm, exceeding the permitted standard of 0.05 ppm by 16.8 times.

In addition, 0.001 to 0.004 ppm of BHC [abbreviation published in English]—a chlorine agricultural chemical whose domestic use is prohibited due to its strong poisonous element and strong residual nature—was detected from five out of 10 cases in Chinese sesame, and 0.028 ppm of DDT and 0.001 ppm of BHC were detected respectively from Chinese pine nuts.

Reaction to Opening Rice Market, GATT Accords

Aides, Cabinet Members Criticized

SK1312081093 Seoul YONHAP in English 0242 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—Criticism that top administration officials are irresponsible and unable to handle pressure to open the rice market is rising within the ruling Democratic Liberal Party [DLP]. The criticism is mainly directed against members of the cabinet and aides to President Kim Yong-sam who, some DLP leaders are saying, should have come forward and taken responsibility for the issue after the president apologized to the people for failing to keep his campaign pledge to protect the rice market.

Their criticism has returned attention to the question of whether Kim will carry out a cabinet reshuffle or reorganization of party posts. Kim has said time and again he will not reshuffle the cabinet for the time being. He said administrative work needs continuity and cabinet ministers need time to carry out their policies with consistency. Nevertheless, many politicians and commentators appear to be impatient with some administration officials for what they insist was their inability to administer government policies effectively.

Hwang Myong-su, DLP secretary-general, deplored on Monday that not a single top member of the administration has come forward to take the blame even after Kim made an apology to the nation.

"President Kim had wanted to discuss the rice market problem with U.S. President (Bill) Clinton (in Washington), but the officials surrounding him recommended against it," Hwang said. "If it's true, somebody has to take the conscientious action of taking responsibility for it," he said.

In an obvious desire to see a scapegoat within the party itself, another senior DLP official said, "those who have to feel responsible for the rice fiasco are not only the cabinet officials who ill-advised the president, but also party leaders failed to provide policy support."

The ruling party has to take corresponding responsibility to that of the cabinet, he said, requesting anonymity.

With regard to Kim's campaign pledge on the protection of farmers, the election managers who suggested the "impromptu pledge" to the then-candidate must also take responsibility, some DLP officials said.

"I don't know who made the president make such a foolhardy pledge knowing that the country's rice market cannot be protected forever," said Hwang. "But those who did it have to take moral responsibility that the issue has developed this far."

DLP Declines Opposition Proposal

SK1412043493 Seoul THE KOREA HERALD in English 14 Dec 93 p 2

[Text] The ruling Democratic Liberal Party (DLP) yesterday turned down a proposal by the opposition Democratic Party (DP) to hold a special National Assembly session to work out proper countermeasures against the opening of the domestic rice market.

DLP floor leader Kim Yong-ku, in a meeting with his DP counterpart Kim Tae-sik, made clear that the ruling party has no intention to summon a special session for now.

Noting that three plenary sessions have already been scheduled for Dec. 16-18, Kim Yong-ku said that any other additional sessions are not necessary.

DP leader Yi Ki-taek and key party officials earlier urged that a special parliamentary session be summoned before the Dec. 15 deadline for concluding the Uruguay Round of world trade talks in order to discuss the rice issue.

"Almost all people are worried about the rice market liberalization these days," Yi told reporters.

"The Catholic churches and other religious organizations are holding prayer meetings to cope with the national crisis. But the National Assembly alone seems indifferent to the rice issue" Yi complained.

Yi later met with DP lawmaker Kim Yong-chin, who has been on hunger strike for eight consecutive days at the Assembly to protest the proposed agricultural market opening.

According to a spokesman, the DP, along with other splinter opposition parties, plans to present a written request to summon a special plenary session today.

Meanwhile, 10 parliamentary standing committees met yesterday to deliberate on government-proposed law amendments.

At the Health and Social Affairs Committee, lawmakers approved a revision of the pharmaceutical affairs law to restructure the herbal medicine dispensing system.

DLP Official Blames Cabinet

SK1412050993 Seoul THE KOREA HERALD in English 14 Dec 93 p 2

[Text] A ranking official of the ruling Democratic Liberal Party (DLP) yesterday called for a cabinet shakeup over the government's failure to keep the domestic rice market closed.

"The government should take responsibility for the opening of the rice market," DLP Secretary-General Hwang Myong-su said. It is unprecedented for a top government party official to call publicly for the replacement of cabinet ministers.

Hwang also told reporters that the author of Kim Yong-sam's controversial campaign pledge, made last year, not to open the rice market should also take responsibility.

During the presidential campaign last December, President Kim promised to stake his presidency on the issue and to fight against foreign pressure to open the rice market.

The pledge has caused major political wrangling between the ruling and opposition parties after the Kim government failed to keep its promise.

Hwang, accusing the planner of having drafted an unfeasible pledge, said he should resign voluntarily.

In a related movement, another DLP official urged economic- related ministers to resign from their posts after the conclusion of the Uruguay Round trade talks. He complained that neither presidential secretaries nor cabinet ministers would take responsibility for the failure to keep the rice market closed. Those remarks by DLP officials came amid speculation of a possible major cabinet and DLP reshuffle before the year is out.

Last week, President Kim said he is not considering a cabinet reorganization at present.

DLP Takes Defensive Stance

SK1412085393 Seoul YONHAP in English 0740 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—The ruling Democratic Liberal Party [DLP] tried hard Tuesday to get the spotlight to shine on the fact that South Korea came out ahead of Japan in their separate negotiations with the United States on the opening of their rice markets to imports.

"We've done our best until the last moment to defend our rice before finally deciding to join the trade war within an international system," DLP Spokesman Kang Chae-sop said.

"We've managed to obtain the best possible terms (for our settlement) which are better not only than those for Japan but for 116 nations throughout the world," Kang said in an official statement following a meeting of DLP party post-holders.

"All the tariff barriers are now removed, and a trade war has begun where the principle of the survival of the fittest applies.

"We are in a position to cope with the new situation, so we have to take a positive posture to take advantage of the new system," he said.

Ruling Democratic Liberal Party Chairman Kim Chong-pil and senior party post-holders appear to be worried by Secretary-General Hwang Myong-su's declaration Monday that some top administration and party officials should take responsibility for failing to protect the nation's rice market.

Hwang's remark was blown out of proportion by some newspapers, which suggested that the secretary-general had demanded the total resignation of the cabinet and post-holders.

Asked about the suggestion by reporters, Kim shot back: "Where did you read that kind of story?

"Why don't you go to (your newspapers and) ask them?"

Another senior party official said, "now that we have reached agreements in the Uruguay Round, we have to start working on measures to cope with the new situation.

"It is not a good time to change the pilot(s)."

Hwang himself was said to be embarassed to see that his demand, originally aimed only at the administration, had backfired on the ruling party.

He was reported to have clarified the "real meaning" of his remark to Kim before he went down to his constituency in Onyang, South Chungchong Province.

Group Plans Rally at U.S. Embassy

SK1412072393 Seoul YONHAP in English 0711 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—The Pan-National Committee for Emergency Measures To Block Imports of Rice and Principal Farm Products decided Tuesday to hold a rally on Saturday [18 December] to protest the government's decision to allow imports of foreign farm produce.

The committee will form a human chain to surround the U.S. Embassy and government complex building the same day as a means of protest, a spokesman said.

The committee will also push ahead with a petition drive calling for a national referendum on rice market opening, he said.

The results of an opinion survey on farm market opening will be released on Friday.

The committee called for lawmakers to reject the Uruguay Round agreement and hold a hearing on the "humiliating" negotiation process.

It demanded the government announce its schedule for keeping the more than 200 pledges that President Kim Yong-sam made on agriculture during his presidential campaign last year.

Farmers To Boycott U.S. Products

SK1412085193 Seoul KBS-1 Radio Network in Korean 0805 GMT 14 Dec 93

[Text] The Pan-National Emergency Countermeasures Committee for Emergency Measures To Block Imports of Rice and Principal Farm Products has decided to hold a human-belt-linking rally to encircle the U.S. Embassy and the central government building on 18 December to protest the opening of the rice market.

Kim Sang-hun, chairman of the executive committee of the committee, held a conference with the participation of some 20 people representing various social strata in its Kongdokdong office, and designated 18 December as the day of the third people's practice. He revealed that they will stage demonstrations of encircling the U.S. Embassy and the central government building on 18 December.

Chairman Kim Sang-hun also said that they will continue a signature campaign to demand a national referendum on the opening of the rice markets and will conduct a poll on the opening. He noted that he will announce the result of the poll on 17 December.

Meanwhile, in a news conference held today, the National General Federation of Farmers' Organizations declared the period from today to 20 December as the so-called week of farmers' anti-U.S. actions in order to protest against the U.S. hegemonistic pressure, and decided to wage a movement to boycott U.S.-made commodities.

'Mixed' Reaction in Seoul

SK1412052393 Seoul YONHAP in English 0505 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—The Korea-U.S. agreement in Geneva on the opening of Korea's agricultural markets, especially its rice market, drew mixed reactions in Seoul on Tuesday.

Kim Myong-hwan, a research economist at the Korea Rural Economics Institute, said the reported terms of market opening were better than those "I worriedly anticipated."

He said he was worried about the future of rice farming as it would be difficult to make it a viable, competitive industry through structural adjustment in the 10-year grace period for the tariffication of rice.

"The problem is that there will be fewer and fewer young farmers because young people won't think agriculture has a future after market opening," he said.

The government should pursue a policy for extensive farming to make agriculture competitive, while taking steps to compensate farmers for losses due to market opening through social security, Kim said.

Im Su-kil, a professor at Korea University, said a firm and strong government policy and a public will to eat Korean produce were needed.

Government policy should include increased spending on agricultural research and development, he said.

Sol Kwang-un, a research economist at the Korea Development Institute, welcomed the rice market opening terms of a 10-year grace period and minimum market access quotas of 1 percent to 4 percent a year during the grace period.

He said rice farming would grow into a competitive business in the 10 years because rice farming techniques have considerably developed over the years.

Minimum market access of 1 percent to 4 percent of domestic consumption a year will not much affect domestic prices if consumption of imported rice is placed under control.

He said he was worried that many farmers will leave their farms after rice market opening.

Kim Sung-hun, a professor at Chungang University, said that he was disappointed with the farm market opening agreement reached with the United States.

He said the U.S. Government probably allowed a 10-year grace period for rice market opening in return for Korea's dropping its agreement to open the markets for beef, pork, chicken and dairy products by applying the tariff equivalent, a duty equal to the gap between domestic and import prices.

"I'm worried that farmers will give up farming," he said. "The agreement to allow imports of beef at going tariffs starting in 2000 will make the livestock industry as difficult as rice farming after rice market opening."

He said that the negotiations on opening the markets for beef, chicken and other key products should have been dragged out until the last minute. The agreed-on market opening schedules do not provide farmers with a sufficient time to fully develop their competitive power.

He was skeptical about the desirability of extensive farming and agribusiness as called for by some quarters of the government and the business community, saying that large-scale farming is ineffective because of Korea's high land prices.

Kim Chae-ok, secretary general of the Society of Citizens Studying Consumer Problems, expressed worry that rice market opening will destroy the country's rice farming.

She called for strict inspections of imported rice for harmful chemicals, noting several cases of imported wheat found to have such chemicals.

Farmers should develop a method of reducing the use of chemicals in rice growing to increase market competitiveness and profits from rice imports should be used in the interest of rice farmers and consumers, Kim said.

Results, Affects of GATT Agreements Reported

Government To Protect Rural Areas

SK1412113293 Seoul YONHAP in English 1106 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—President Kim Yong-sam said on Tuesday that the recent conclusion of the Uruguay Round talks would bring about reduced foreign tariff barriers to result in the country's expanded exports to do much good to national interests.

"To protect rural areas set to suffer from the Uruguay Round talks settlement, the government will carry out sustained programs to help them," he said.

During his year-end tour of the Blue Dragon and other military units, President Kim said, "some people argue that we have lost a lot in order to obtain some concession over the rice market issue. But, there was nothing we yielded, as can be seen in the case of the beef market."

The president complained that people in some sectors unfoundedly claim that the government is ruining the rural area by opening the rice market.

"The 1 percent we agreed on as the minimum access ratio amounts to no more than 390,000 sok of rice," said Kim. "Since the government will buy this up and process it for exports, there will be no problem at all."

A Chongwadae [presidential offices] official said that originally Korea was supposed to liberalize beef imports beginning July 1, 1997 under a promise made with the General Agreement on Tariffs and Trade (GATT) in 1987.

However, in the Uruguay Round talks this time, the country could obtain an agreement to delay the time of beef import liberalization until 2001, said the official, adding that the beef tariff, too, was raised from the original 20 percent to 40 percent.

Agricultural Trade Deficit To Grow

SK1312020393 Seoul THE KOREA TIMES in English 13 Dec 93 p 8

[Text] Worries are growing that Korea's deficit in agricultural, forestry and fisheries trade will surge in case farm products flow in, although limited, following the conclusion of the Uruguay Round [UR] talks. Agricultural, forestry and fisheries trade deficit amounted to $3.8 billion in the first nine months of this year, $15 million more than a year ago, according to the Korea Trade Promotion Corp. (KOTRA).

The $3.8-billion shortfall far surpassed the country's total trade deficit of $2.65 billion during the January-September period. This year's deficit in agricultural, forestry and fisheries trade will be more than last year's. Korea posted $4.25 billion in red ink in 1992, up 8.2 percent from $3.9 billion in 1991.

The farming trade deficit stood at $2.76 billion in the first nine months of this year with exports of $556 million and imports of $3.322 billion. The country posted a $1.7 billion deficit in forestry trade by shipping $300 million worth of goods while bringing in $2 billion worth of products. Only fisheries trade showed a $668-million surplus during January-September. Korea exported $1.054 billion in fisheries goods and imported $386 million.

Industrial sources express growing concern that Korea's deficit in agricultural, forestry and fisheries trade will emerge as the biggest problem in foreign trade following the market opening in accordance with tariffication without exception. It goes without saying that the survival of farmers will be threatened and the agriculture, forestry and fisheries industries will be devastated by the indiscriminate opening of those markets.

KOTRA suggests that the government work out viable means to help farmers tide over the shock waves from the UR conclusion for freer trade under the General Agreement on Tariffs and Trade (GATT).

KOTRA stressed the need for the nation to radically change its agricultural development policy in line with the expected conclusion of the multilateral UR negotiations in Geneva Wednesday.

Subsidies on exports and support for domestic cultivation will be replaced with possible indirect ways to support farmers and encourage them to survive the market opening, according to the state-run corporation.

KOTRA lists some of the possible measures including loans for export firms specializing in food processing and export insurance for farm products. It recommended the administration strengthen research and development on farming for export, provide new cultivating methods to farmers, support marketing activities for export, rationalize the distribution structure, and dispatch trade missions to explore new markets.

The Korea Foreign Trade Association (KFTA) announced last week that it will put aside 10 billion won ($12.5 million) for promoting exports of farm products. The KFTA will double its overseas market exploration fund to 20 billion won for that purpose.

Analysts said that the country will have to pool wisdom to cope with the opening of the agricultural sectors not only for trade but also for cultural identity. Most Korean people think their cultural identity is based on farming industries. And it is important to protect and further develop cultural heritages from the agricultural industry, they pointed out.

Steel Trade Surplus To Increase

SK1312081493 Seoul YONHAP in English 0247 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—South Korea's iron and steel trade surplus will get a boost from the Uruguay

Round world trade accord, which will make Korean exports even more competitive, industry sources predict. The Korea Iron and Steel Association expects the accord to make it harder for advanced nations to bring anti-dumping lawsuits by raising standards for judgment of dumping margins, damage to businesses by dumping, and qualifications to bring anti-dumping suits. A number of anti-dumping lawsuits will therefore drop.

The accord will repeal tariffs on iron and steel imports in major importing nations like the United States, which levies a 4-5 percent tariff on Korean iron and steel products, and China and Southeast Asian nations, whose tariffs are about 20 percent.

In contrast, Korean imports are mainly raw materials such as ferrous steel, which is used in electric arc furnaces, and iron ore. With the repeal of tariffs on these materials, production cost will be lowered and the competitiveness of Korean iron and steel products on international markets will be strengthened.

Imports of ferrous steel reached 630 million U.S. dollars in the first 10 months of this year, about 20 percent of Korean iron and steel product imports.

Korean exports of iron and steel products were 5,003 million dollars and imports were 3,389 million dollars in January-October. Iron and steel product exports are estimated to reach 6.68 billion dollars this year.

Livestock Industry Said in 'Jeopardy'

SK1312101993 Seoul YONHAP in English 0855 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—Livestock farming, a main source of income for farm households, may be in jeopardy because of U.S. demands for much wider access for meat and dairy products in return for generous terms on rice market opening. Faced with the choice of rice or else, Korean negotiators in Geneva say they will do their best. People here say they will probably have to give in to the U.S. pressure at the end of the day.

Livestock market liberalization will probably destroy the competitiveness of Korean meat, particularly beef, which takes up 34.4 percent of the industry.

America argues that Korea can no longer hide behind General Agreement on Tariffs and Trade (GATT) mercy that allows it to restrict imports of nine farm products on the grounds that it has to improve its balance of payments [BOP]. It therefore wants the Korean beef market open from July 1, 1997, when BOP exception no longer applies to Korea, and Seoul to greatly increase imports from 1995.

Seoul has already promised to raise its beef import quota from this year's 99,000 tons to 106,000 tons in 1994, and 113,000 tons in 1995.

If Korea continues with the current 20-percent tariff, its livestock industry is likely to be devastated within two years at most, experts say.

The Uruguary Round imposes tariff equivalents to bridge the price gap between domestic goods and imports, and they are set at 430 percent for beef imports to Korea.

Korean beef cannot compete with foreign beef even with a 200- percent tariff as a 400-kilogram Korean steer sells at 2.2 million won, the same American and Australian cattle cost 600,000 won and 300,000 won, respectively.

Market shares of domestic and imported beef currently stand at 56 percent to 44 percent, but Korean beef is expected to loose ground once doors widen for imports.

The government is taking steps to prevent this by advertising the quality of Korean beef, reinforcing sales networks and encouraging farmers to cut their prices.

Liberalization of the dairy market will also deal a heavy blow to farmers. Seoul is said to have agreed to open its dairy market from 1995 with a relatively low tariff of 50 percent. Milk producers take up 1.9 percent of the industry, but their turnover is 644.4 billion won a year, making milk the fifth major farm product among its 15 non-trade concern items. Milk cannot be easily imported because of the difficulty of keeping it fresh, but processed goods will certainly lose in competition with imports, agricultural experts say.

Pork and chicken farmers have less to fear. Korean pork costs 15 percent more than American pork, so a 25-percent tariff will do little to hurt the market.

Rice Imports Estimated

SK1412031893 Seoul YONHAP in English 0223 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—Rice imports are likely to begin in 1995 at 1 percent of domestic consumption under an accord reached in negotiations with the United States on Monday.

The figure for rice consumption is average consumption in 1986-88, which is 39.4 million sok (one sok is 144 kilograms) if processed rice and seed rice are counted. So the import quota for 1995 will be 390,000 sok, with a tariff of 5 percent.

Korea should increase the import quota every year until it reaches 2 percent in 1999, 3 percent in 2002 and 4 percent (1,570, 000 sok) in 2004, the 10th year of the partial market opening, and the tariff will stay at 5 percent.

In 2004, when the 10-year grace period expires, Korea can renegotiate the conditions of rice market opening. If the grace period is extended by renegotiation, minimum market access will be at least 8 percent from 2005.

If renegotiation fails, it must open the rice market through tariffication from 2005. In this case it can impose a tariff equivalent (TE), the price gap of domestic and foreign rice in 2004, on imports.

If calculated on the basis of current prices, the TE will be about 350 percent on U.S. rice and 450 percent on Thai rice. However, 90 percent of the TE, calculated based on prices in 2004, will be imposed on imports in 2005 as the TE will be cut an additional 10 percentage points each year over the grace period.

The government plans to study ways to control rice imports and use all foreign rice for processing and brewing, not for food.

Since Uruguay Round rules require nations to reduce subsidies for farmers, the government must cut the amount of rice it buys every year from farmers and reduce its financial support for them.

YONHAP Assesses Effects

SK1412031693 Seoul YONHAP in English 0214 GMT 14 Dec 93

[By Pak Hyon-chae]

[Text] Geneva, Dec. 14 (YONHAP)—So brave were the government's words for seven years that the possibility of rice market opening was not mentioned in public until just days before the deadline to wrap up the world trade pact. So humble was the government when it sat down to agree on a farm deal with the United States on Monday that it not only failed to win an exception to tariffication for rice, but it succumbed on the opening terms for 14 other non-trade concerns such as beef, tangerines and dairy products.

The Korean delegates arrived in Geneva with emotional appeals rather than logical approaches, and immediately showed their inexperience on the international stage. They reminded everyone of Korea's division and expounded on Korea's primitive agricultural circumstances as the grounds to protect the rice market, which not surprisingly left the Americans unmoved in their determination to use free trade to pull their country out of recession.

Seoul's negotiators offered to expand service and financial market opening in return for a three-year moratorium on rice imports, which Washington pointed out was against Uruguay Round rules.

The unannounced results of the final Korea-U.S. negotiations are that Korea will partly open its rice market by minimum access quota of between 1 percent and 4 percent from 1995 to 2004 and completely open by tariffication from 2005 after a 10-year grace period. This means 390,000 sok (about 56,160 tons) of rice imports in 1995 based on 1986-1988 home consumption and 1.58 million sok (227,520 tons) by 2004.

The government says that these terms will not hurt the farming industry overly, but the psychological effect is more serious as farmers may think it means the government has given up on them. Although market access stops at 1 percent to 4 percent for 10 years, the UR pact presses on various reductions in farm subsidies and gradual cuts in output that will obviously affect production of the other 96 percent to 99 percent.

Last year, rice accounted for 22.2 percent of farmers' income and 43.7 percent of total farming income. The figures explain what effect rice market opening will have on the agricultural industry.

Korea won much better conditions than Japan, which has a six-year grace period on tariffication and minimum market access of 4 percent to 8 percent, but there cannot be comparison with Japan in view of its economic standard, its farmers' high income and its relatively low dependence on rice.

Agricultural experts say Korea can turn the misfortune into a blessing by radically revamping the farming industry and raising competitiveness during the grace period. To avoid a major exodus from rural areas, they call for balanced land development and expansion of farmland.

The saga of negotiations is not over. Korea can renegotiate on rice a year before market opening by tariffication and win an extension with agreement from rice exporting nations.

While succeeding to draw better-than-expected terms for rice opening from U.S. negotiators, Korea made greater concessions in beef and other principal farm products.

By showing the bright side on rice, U.S. officials turned a stern face on beef by reversing their position and producing a current tariff rate from 1995 and complete market opening from 2000.

In bilateral beef talks last July, Korea agreed to raise this year's import quota of 99,000 tons to 113,000 tons in 1995 and an increase is expected to weaken the competitiveness of high-cost Korean beef.

The government says it will increase the beef supply to 50 percent by 1998, but many experts and farmers find such a plan unrealistic.

Washington pressed Seoul to open the beef market completely from July 1, 1997, when Korea no longer comes under General Agreement on Tariffs and Trade (GATT) rules of import restriction to improve its balance of payments, but at the end compromised on 2000.

Korean beef can now beat the competition only in quality, and the government must improve marketing and sales networks.

High tariffs are imposed, but the liberalization of dairy products, tangerines, hot pepper, garlic and onions is expected to be a heavy blow.

Domestic and import prices of these products vary a great deal and their markets are virtually open as offered tariffs on them are lower than the tariff equivalent rate, which is the price gap between domestic and foreign goods imposed on imports.

American tangerine growers and dairy farmers are said to have long waited to make inroads into Korea.

With the decision made, Korea's vulnerable farmers can only depend on the government to make all-out efforts to minimize the damage and improve the farming structure before virtual opening from 1995.

Rice Exporters Said To 'Aim' at ROK Market

SK1312085993 Seoul KYONGHYANG SINMUN in Korean 10 Dec 93 p 7

[Commentary by Cho Pyong-chol: "Rice Exporting Countries are Aiming at our Dining Table"]

[Excerpts] As the ROK's rice market opening is now definite, rice-exporting countries have already begun to take aim at our rice market. Foreign news reports note that since the opening of the rice markets in the ROK and Japan was declared, the per-ton rice price in the United States is now $400, showing a 20 percent increase in 10 days.

Major rice producing countries, such as China, Thailand, and Vietnam, pay great attention to the ROK market, while Australia is accelerating preparations for landing in the ROK. [passage omitted on kinds of rice produced in these countries and in the United States]

The United States produced 7 million tons of rice from 1992 to 1993, of which it exported 2.2 million tons. Of the exported rice, the (Japonika) brand makes up only 20 percent. The state of Arkansas has 1.21 million acres of cultivated land, which is nearly one-half of all the 2.77 million acres of cultivated land in the United States [figures as published]. If Arkansas cultivates the (Japonika) brand of rice, its price will be only one-fifth of ours, thus posing a great threat to our farmers.

We must also be alert regarding Australia. Australia produced 1 million tons of rice from 1992 to 1993, however, its exports are still insignificant. Therefore, Australia is not a competitor at present. However, farming land is vast and water control is done by computer. In addition, the foundation of production facilities is excellent.

Therefore, experts observe that since its weather is the same as ours, if Australia changes from its (Indika) brand to (Japonika), it is just a matter of time for it to appear on our dining table. [passage omitted]

The genuine winner who will gain supremacy over our rice market is China. In particular, "Northeast rice," which is produced in the Northeast area of China, where our compatriots live collectively, will be very competitive. Accordingly, people observe that in view of China's weather conditions and cheap labor power, other countries can hardly be competitive with China. In addition, the price of the "Northeast rice" is only one-eighth of ours. For this, a new phrase, "it is China who makes money behind the scenes staged by the United States," will be in fashion.

At a time when it has become an established fact that low-priced foreign rice will rush into our dining room, the only way for us to make rice survive is to improve its quality while drastically reducing its production cost. Therefore, the nation's financial support should be directed at strengthening our agricultural competitiveness instead of merely compensating farmers in the form of transfer of income based on political theory.

Daily: U.S. Made All Decisions at GATT Talks

SK1412124893 Seoul CHOSON ILBO in Korean 14 Dec 93 p 2

[Article by reporter Na Chong-sok from Geneva, entitled "A Fight of 115 Against One," from the "Reporter's Memobook" column]

[Text] One of the government delegates attending the Geneva negotiations disdainfully said: "The Uruguay Round [UR] negotiation is a fight of 115 against one." The "one" he referred to is the United States. No sector in the UR negotiations is not related with the United States, and without the United States' agreement, nothing can be done. On the other hand, if the United States agrees, anything can be done.

This theory is applied to negotiations on industrial products, agricultural products, and services. In addition, the establishment of multilateral trade organizations, anti-dumping, the tariff on subsidies and the like, were all carried out in accordance with U.S. intentions. Besides, agreements were reached only when the United States made concessions. The points at issue, which have been left unresolved until now, are only what were not agreed upon by the United States.

The designation of 15 December as a deadline was, in actuality, decided by the United States. December 15th is the last day the U.S. Administration can exercise the Fast Track Authority [preceding three words published in English] which has been entrusted by the U.S. Congress. The Clinton administration is committed to submit the report on the result of the negotiations to Congress by that day.

With the negotiations being pressed by this deadline, arguments as to what nation's time should be applied to the deadline on 15 December were touched off within the Headquarters of the General Agreement on Tariffs and Trade [GATT]. In other words, which one of the two time standards, midnight time of 15 December in Geneva or in Washington, is the legal deadline? There is a six-hour time difference between these two cities, and the time in Washington is earlier. Therefore, if Washington time is applied, the deadline would be 0600 hours on the morning of 16 December in Geneva. Although such arguments are useless and waste time, they are a symbol for how absolute the existence of the United States is.

Such being the United States, it put forward a strange revised plan during the final-stage of the anti-dumping negotiations. By ignoring the agreement to enable GATT to judge on the justness of anti-dumping measures, the United States abruptly insisted that the decision of the U.S. Department of Commerce should be respected. What makes people even more startled is the article on circuitous [uhoe] dumping. For example, if a dumping judgment is passed on color television sets produced by "A" company in Seoul, the dumping judgment will also be passed without investigation on television sets assembled in Mexico by this company with parts it brought into this country.

The negotiating countries all resisted the revised U.S. plan at first, and even formed a joint front. However, as time passed, the European Community [EC] was overcome [nomogada]; Japan, Australia, and New Zealand have turned around; and Switzerland and Canada did not show the clear will for opposition. Only the ROK, Hong Kong, and Singapore opposed this.

A relevant official of our delegation said that "it is like changing minds in succession after receiving candy from the United States. All know that everything is being manipulated by the United States. But they can hardly refuse the bait laid by the United States in an effort to save even a small thing." This being the case, a word of USR (combination of the USA and UR) is raised instead of UR.

The United States is squeezing the neck of the ROK for the plan of opening the rice market. Only when the United States gives an agreement, can the freeze period, the grace period of tariffication, and so forth, be recorded in the document of agreement. Now the ROK delegation is indefinitely waiting in the hotel for a telephone call from U.S. Secretary of Agriculture Espy and U.S. Trade Representative Kantor. An appointment was canceled and notification came for another appointment which was canceled again.

Amid this situation, we hear that some of our government offices argued pro and con about who will attend this honorable diplomatic event for the UR settlement as the ROK delegation. It is deplorable that they were only interested in competition for the position, ignoring the fight against the giant.

Paper Interviews U.S. Ambassador in Seoul

SK1212074193 Seoul TONG-A ILBO in Korean 12 Dec 93 p 5

[Report on interview with Ambassador James Laney by Choe Kyu-chol, section chief of the TONG-A ILBO International Department, at the U.S. Embassy in Seoul on 10 December]

[Text] The ambassador came to a reception room where I was waiting to hold an interview with him. After saying that he was very glad to meet this reporter from the TONG-A ILBO, a distinguished newspaper in the ROK, the ambassador personally guided me to his office.

The instant I first met Ambassador James Laney, who took office almost two months ago, I had the feeling that he looks like a benevolent principal at a local elementary school. Wrinkles showing his age, eyeglasses, and gentle smiles taken together gave me a comfortably warm impression.

The awe-inspiring atmosphere which I had felt on the morning of 10 December upon entering the U.S. Embassy building located in Kwanghwmun, Seoul, disappeared. The ROK riot police conducted checks and searches of reporters outside the embassy building and vehicles entering the embassy building were inspected by metal detection equipment. Stepping into the foyer, I saw U.S. Marines standing guard.

The interview with Ambassador Laney proceeded in a comfortable atmosphere. Ambassador Laney, however, answered very moderately. This was because he was informed that the chaotic atmosphere outside the embassy building was due to demonstrations protesting U.S. pressure on opening the rice market during the Uruguay Round negotiations. I could not but begin the interview by bringing up the issue concerning the rice market opening.

[Choe Kyu-chol] Don't you think that the U.S. side has put strong pressure on the ROK in connection with rice market opening?

[Ambasador Laney] I am aware of the wrath of the ROK farmers. In particular, I am well aware that the Korean people's feeling about rice takes root in cultural traditions. [end Laney]

His expressions were very serious. This may be due to his particular ties with the ROK.

[Laney] Open trade has begun throughout the world. Trade liberalization is a global trend. This means that all countries should together open the new era of coexistence. To this end, I think the settlement of the Uruguay Round negotiations is absolutely necessary. [end Laney]

Ambassador Laney said that if the Uruguay Round negotiations end in failure, each country will seek protective trade in its own way. Accordingly, the damage, including tariff barriers, will be great. He used the Great Depression of the 1930's as an example.

[Laney] In addition to the ROK, other countries alo are also against the rice market opening. France, Switzerland, and Japan are strongly against the rice market opening. Even in the United States, there was a strong objection to the North American Free Trade Act (NAFTA). I think all of these are some phenomena of the era of change. [end Laney]

However, there are many people claiming that considering the ROK's situation, it is still difficult for the ROK to open the rice market.

Ambassador Laney made the most of his own knowledge of the ROK and Korean people to answer questions. He formed ties with the ROK quite long ago. For one and half years from 1947, he worked at the Counter Intelligence Corps affiliated with the U.S. Military Government. From 1959 to 1965, he worked at Yonsei University as chief of the ROK Christian Students Council and as an associate professor. Since then, he has frequently visited the ROK to attend various seminars and symposiums. Before he was appointed U.S. ambassador to the ROK, he served as the president of Emory University in Atlanta, Georgia. He is an ambassador and a scholar. He is also a Methodist minister as well. In addition, he and President Bill Clinton both come from Arkansas.

[Laney] I repeat that I have a good understanding of the ROK people's worries. I have faith in their capabilities. I believe that in my own way I know the ROK very well. Changes and developments that took place in the ROK are truly magnificent. This is not limited only to the economic field. Developments worthy of close attention were made in the democratic and human rights fields. The ROK people's business spirit, diligence, and overall social capability to unite are all driving forces in making it possible to push ahead in the work to become an advanced industrial country. Therefore, I am of the firm belief that the ROK people will be able to successfully overcome the current difficult situation. I believe that the 9 December speech on the issue of opening the rice market by President Kim Yong-sam was to encourage the people to overcome the difficulties during the period of change and reform. I believe President Kim made the speech with confidence and showed great leadership. [end Laney]

During the interview he repeatedly emphasized the capabilities of the ROK people and its society.

[Choe] In addition to the issue of opening the rice market, North Korea's nuclear issue is also a matter of great concern and interest. Please clearly give us the U.S. Government's position on the North Korean nuclear issue.

[Laney] The U.S. position was clearly put in order during the ROK-U.S. summit talks in Washington and the November annual ROK-U.S. Security Consultative Meeting. North Korea must receive the International Atomic Energy Agency's [IAEA] inspection and abide by the IAEA's safeguards accord. Also, dialogue on the exchange of special envoys of the South and North Korea must be realized. Currently, the ROK and the United States are in agreement with each other in their goals and capabilities. [end Laney]

Ambassador Laney said that the fighting power of the ROK and the U.S. forces are overwhelming. He also said that there is no need for the United States to be hostile against North Korea, and that he hopes that the North Korean nuclear issue will be resolved in a peaceful way through diplomatic methods.

[Choe] If North Korea refuses to resolve its nuclear issue to the end, will you just wait or is there a time limit to resolving this issue?

[Ambassador Laney] Our position is firm. If North Korea refuses to resolve its nuclear issue this will be submitted to the UN Security Council and North Korea will receive sanctions from the United Nations. Decisions on the time limit will be settled by the IAEA. [end Laney]

During the interview, Ambassador Laney emphasized many times that the U.S. position on the North Korean nuclear issue was firm. On 9 December, at the North Korean Workers Party of Korea Central Committee plenary session, there were some changes in its power structure. In this connection, Ambassador Laney said that this is part of North Korea's efforts to achieve the succession of power within the Kim family. He said that this was his personal view.

[Choe] The role of the U.S. ambassador is of great interest in the ROK. Can you explain the role of the U.S. ambassador? [end Choe]

Before answering, Ambassador Laney talked about how he first came to know the ROK.

[Laney] I first came to the ROK in 1947 when I was a young man with many dreams. If I had worked on Wall Street at that time I might now have become a very rich man. Nevertheless, I enlisted in the Army and came to the ROK. General John Hodge was the commander of the U.S. Forces stationed in the ROK at that time. Our barracks was in Kyongbok Palace and the office of the U.S. Forces was in an office building in Chongno. I was able to meet many ROK people at that time. The pulsations which I felt at that time can be felt again now. The appearance of the streets, the people's expressions, and the smell of the whole city are all sentimental to me. [end Laney]

In this part of the interview Ambassador Laney said that the ROK is his second home.

[Laney] I believe that the duty of an ambassador changes with the times. I believe that the fundamental duty of the U.S. ambassador to the ROK is to accurately and clearly convey the U.S. intentions to the ROK and vice versa. It may be easy to say this but there are many times when this duty is very painful. ROK- U.S. relations have progressed magnificently. We must work to further develop such relations. There are times when ROK-U.S. interests are parallel. However, I do not think the relations between the two countries are heading for a head-on collusion. [end Laney]

Ambassador Laney said that he was deeply impressed by the reform politics being promoted by the ROK Government. He asked if there was another country like the ROK in the world that has become the 13th largest trading country and is successfully promoting reform. When observing the ROK's developments he said that many times he personally felt as if he was a cheerleader. He also said that he became a salesman of the ROK.

[Choe] Some people once said that the U.S. ambassador to the ROK was the governor-general. What is your view on this?

[Laney] It is absolutely unthinkable. I am of the firm belief that was not the case by my predecessors also. It is a misunderstanding. That kind of talk comes from the North Korean side.

[Choe] What is your view on the anti-U.S. sentiment?

[Laney] I believe that this is due to the fact that the influence of the United States is great worldwide. There are times when it is difficult to say that this is wrong. Fundamentally, when there is a disagreement, dialogue must be exchanged. When there is no dialogue, there tends to be suspicions. Therefore, employees of the Embassy must visit university campuses and social organizations to hold dialogue. This afternoon I plan to meet university students in connection with the issue of opening the rice market. There were times where there was discord because of the problems caused by U.S. troops. However, we must remember that the reason they are here is to safeguard the common security of the ROK and the United States.

[Choe] Before you were appointed as the ambassador to the ROK, you appeared at the Senate East Asian and Pacific Affairs Subcommittee and explained that your important duties were to enhance ROK's democracy and human rights. Did you mean that the ROK's current situation was insufficient in these fields?

[Laney] Currently I am deeply impressed over the enhancement of human rights in the ROK. However, the issue of democracy and human rights are not tasks that have an end. No country in this world can completely resolve these issues.

[Choe] Currently in the ROK the word internationalization has become a popular word. How do you assess the degree of the ROK's internationalization?

[Laney] I believe the ROK people's subscription rate of newspapers is widely spread, which is comparable to other countries of the world. This means they have much access to international information. ROK's businesses are also widely spread throughout the world. In addition, the level of its tourism is at the international level. In the old days the ROK was regarded as a secluded country, but now it is in the forefront of the world's arena. [end Laney]

Ambassador Laney pointed out two important factors—mutual trust and honesty, for maintaining and developing more desirable relations between the two countries. He said that he has about 100 friends in the ROK. At the conclusion of the interview when asked what kind of Korean food he liked best he said: "A well ripened radish cube kimchi."

Ministry Says Capable of Stopping DPRK Attack

SK1412053093 Seoul CHUNGANG ILBO in Korean 14 Dec 93 p 2

[Text] In preparation for a North Korean preemptive surprise attack on the ROK, the ROK has established a posture of military preparedness capable of prompt response, such as thorough information and surveillance and early warning about the North Korean military moves, based on the ROK-U.S. combined defense system, the Defense Ministry said today.

The Defense Ministry disclosed this government position today in connection with the concern expressed recently by THE WASHINGTON POST over the defense posture on the Korean peninsula. The Defense Ministry added, "The ROK and the United States have developed diverse and specific alternatives capable of stopping the enemy aggression north of Seoul under any circumstances."

DPRK Returns Remains of 33 U.N. Soldiers

SK1412053993 Seoul YONHAP in English 0526 GMT 14 Dec 93

[Text] Panmunjom, South Korea, Dec. 14 (YONHAP)—North Korea returned the remains of 33 United Nations soldiers who were killed or missing during the Korean war 1950-53 at Panmunjom on Tuesday afternoon.

North Korea returned 17 sets of remains of U.N. soldiers on July 12, 33 on Nov. 30 and 31 on Dec. 2 for a total so far this year of 114. This compares with 46 returned from 1990 to 1992.

Pyongyang returned five sets of remains in May 1990 after a hiatus since the Armistice was signed in the Korean war and it returned 1,869 remains in October 1954.

Since May 1990, Pyongyang has returned 160 remains of U.N. soldiers.

North Korea and United Nations command agreed on Aug. 24 to cooperate in finding, returning and identifying remains of U.N. soldiers located North of the Demilitarized Zone.

The U.N. Command gave Pyongyang the necessary materials to find the remains and Pyongyang has returned remains whenever it found them.

As Pyongyang hesitated to return remains in the past, its readiness to hand them over now is seen as a wish to improve relations with the United States, analysts says.

Pyongyang says one of the conditions for nuclear inspection by the International Atomic Energy Agency is resuming high level talks with Washington.

By yearend, Pyongyang is likely to make one more return of U.N. remains.

The remains were transferred immediately to the U.S. Army central identification laboratory in Hawaii for evaluation and identification.

Fisheries Talks With PRC Open in Seoul 13 Dec

SK1412042993 Seoul THE KOREA HERALD in English 14 Dec 93 p 2

[Text] South Korea strongly protested against Chinese vessels fishing in Korean waters and demanded Beijing stop illegal fishing during the two countries' fisheries talks that opened in Seoul yesterday, the Foreign Ministry said. A ministry official said a large number of Chinese vessels have entered Korean waters during the last several years, depleting the fish stocks around the Korean Peninsula and causing financial hardship to Korean fishermen.

Official figures say over 200 Chinese vessels entered Korean waters in 1991 and 1992 and some 90 have entered this year.

The officials aid the two sides will also discuss the conclusion of a fisheries accord during the five-day talks, which are aimed at promoting mid- and long-term cooperation in the fisheries field, including joint preservation of marine resources in the West and East China seas.

An accord on maritime rescue that was initiated by China will be another topic, he said.

Yi Tae-sik, deputy director-general for international economic affairs, is leading the Korean side. His Chinese counterpart is Feng Rui Feng.

Discussion With PRC on Selection of Projects

SK1312054893 Seoul YONHAP in English 0255 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—South Korea and China opened a working-level meeting in Beijing on Monday to discuss a Chinese request for a 112 million-U.S.-dollar loan from the Economic Development Cooperation Fund (EDCF) to Finance Industrial Development Projects.

In the meeting, to continue until Dec. 23, the two sides will discuss selection of projects to be financed by EDCF funds from a list of requests, projects in the three Northeastern Provinces, where Korean investment is active, and Korean investment in China's telecommunications market, Finance Ministry officials said. Among the projects for which China has requested EDCF funds are harbor expansion in Shandong Province, airport expansion in Heilongjiang Province, bridge construction in Tianjin City and airport expansion in Yanbian autonomous region of ethnic Koreans.

Representing Korea in the meeting is a five-member delegation led by Kim Yong-tok, head of the ministry's economic cooperation division.

China is represented by a mission from the Foreign Trade and Economic Cooperation Ministry.

Defense Minister To Visit Japan for First Time

SK1312081293 Seoul YONHAP in English 0613 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—South Korean Defense Minister Kwon Yong-hae plans to make an official visit to Japan in late March next year at the invitation of the Japanese Defense Agency, the Korean Defense Ministry said Monday. His visit, the first by a South Korean defense minister, is expected to promote military exchanges between the two nations.

Kwon plans to meet with senior military figures, including Japanese Defense Minister Kazuo Aichi, to discuss ways to promote bilateral security cooperation.

Japanese defense ministers have visited Korea twice, in 1908 and 1986, but a Korean defense minister has never visited Japan.

The two nations are also pushing ahead with a plan to send field officers to military institutes in the other nation for short-term study and training.

"Minister Kwon's visit to Japan has been pushed ahead with since President Kim Yong-sam met with Japanese Prime Minister Morihiro Hosokawa to discuss ways to establish new relations of the two countries," a Ministry official said.

Government, Japan Conclude IPR Talks on Drugs

SK1312081193 Seoul YONHAP in English 0609 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—South Korea and Japan have concluded their intellectual property rights [IPR] talks on retroactive patents for up to 60 Japanese pharmaceutical products, the Foreign Ministry announced Monday.

In negotiations involving what officials called major concessions from both sides, Seoul minimized the repercussions on Korean industry by getting Japan to voluntarily refrain from seeking patents on products already invested in by Korean firms. Japan agreed to training programs for Korean drug researchers for 1995-1997 period for about 20 people, the officials said.

The agreement caps a year and half of talks based on the consensus that Korea should give Japan the same level of protection given to the European Community [EC]. Korea and EC reached a final agreement just last month.

The retroactive protection covers items patented in Japan between Jan. 1, 1980, and June 30, 1987, when Korea introduced laws on material patents for the first time.

Although the two sides agreed that the agreement should cover up to 60 items, Ministry officials said they expect Japan to request far fewer in consideration of Korean industry, perhaps about 20 or so, mostly products already being sold over the counter.

On copyrights, retroactive protection goes back to 1982 for computer software and to 1977 for printed materials.

Protection begins after Korea reviews the list Japan is to submit within six months after the agreement goes into effect.

The two sides formally sign the agreement this week.

Daily Criticizes President's Policy Execution

SK1312100493 Seoul HANGYORE SINMUN in Korean 13 Dec 93 p 1

[Text] With the president's policy and line moving hither and thither, the government's policy on North Korea is also confusing by not finding a right direction.

According to officials in the Foreign Ministry, on 12 December the relevant government offices pointed out that the North Korean nuclear issue is now more complicated and that no progress is seen in the North-South dialogue mainly due to President Kim Yong-sam's hard-line policy on North Korea and to his foreign policies formulated with a view only to winning political popularity.

The officials observed that the possibility for the North Korean side to accept the counterproposal made by the United States for a solution to the nuclear issue in New York on 10 December is not high. As a result, they forecast that the inspection of unregistered nuclear facilities in North Korea and resumption of the North-South dialogue on the exchange of special envoys, will likely not be achieved within the year.

The fact that the North Korean nuclear issue is deadlocked is, above all, attributable to North Korea's uncompromising political system. On the other side, however, it is also attributable to President Kim Yong-sam's adherence to a hard-line attitude evidenced by his rejection of North Korean-U.S. negotiations, including the refusal to suspend the Team Spirit exercise, shown during the ROK-U.S. summit in Washington on 23 November. As a result, discord was kindled between the ROK and the United States.

However, amid confusion caused recently by the opening of the rice market, President Kim abruptly retreated from the hard-line policy on the North's nuclear issue without any reason. This illustrates that his policies lack consistency, thus causing only confusion. By considering public opinion at home, President Kim stubbornly insisted on the demand of resumption of the North-South dialogue as a precondition for North Korean-U.S. negotiations, thus blocking the way for the U.S. side to negotiate with North Korea. By keenly realizing recent problems, including the opening of the rice market, he unconditionally accepted the U.S. position, resulting in a slackening of the reins on the nuclear policy.

As for the North-South dialogue, up until the ROK-U.S. summit was held, the government made "considerable progress" in discussing the exchange of special envoys of the North and the South as the only precondition for the third round of North Korea-U.S. talks. However, after talks in Washington, the government raised the demand into an agreement on exchanging special envoys.

As for the issue of the Team Spirit exercise, the government's position was that if nuclear transparency is guaranteed, the exercise can be suspended. However, this position changed into the ROK Government retains the right to decide on the suspension, and this was announced by the government after the summit. However, after President Kim received a request from U.S. President Clinton during telephone talks on 7 December that "a more flexible and reasonable nuclear policy is desirable," President Kim retreated from the hard-line policy on the North-South dialogue and on Team Spirit by relaxing it.

Since President Kim's own policy toward the North Korean nuclear issue has been wavering, the Board of National Unification and Foreign Ministry, and the relevant government offices, are experiencing confusion in planning and executing their North Korean policies.

A relevant government official is worried that "if the policy on the North Korean nuclear issue is implemented as today, there is a great possibility that this policy, along with the policy on opening the rice market, will be recorded as a failure in our generation."

Assembly Committee Debates Unified Election Law

SK1312090093 Seoul YONHAP in English 0652 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—The National Assembly Special Committee began deliberating a bill Monday that aims to unify major elections, hearing proposals for revisions that include new ways of voting and a unified local, parliamentary and presidential ballot. Other proposals included new rules on election law violators, and a reduction in the voting age.

The ruling Democratic Liberal Party [DLP] and the main opposition Democratic Party [DP] stand far apart on some of the revisions while on others there is room for compromise, especially with regard to the voting age.

For instance, the Democratic Party has proposed lowering the age to 18, but some lawmakers in the party now realize this is impractical.

In connection with revision of the Political Fundraising Law, committee members discussed raising government support for political parties from the current 600 won per voter to 800 won.

Meanwhile, the subcommittee of the Steering and System Reform Committee discussed problems related to forming an intelligence committee, expected under the recently revised law on the Agency for National Security Planning.

The ruling and opposition parties have different positions on the timing of the committee's formation, number of members, and method and extent of punishment for committee members who release confidential information.

The DLP says that as all intelligence on national security will be reported to the committee, there have to be legal safeguards against divulging the information. It wants a specific provision in the law on the National Assembly to make it a crime for a committee member to divulge information.

The DP, on the other hand, argues that divulging secrets is already a violation of the law on the National Assembly and the current law punishing government officials who release security information should be satisfactory.

As for the number of intelligence committee members, the DLP wants between seven and eight while the Democratic Party insists on 12.

The DLP and DP do agree, however, that committee members should be selected in a plenary session of the National Assembly and they should be senior lawmakers in order to give the committee dignity and status.

In a separate development, the DP has again demanded a special plenary session to discuss problems with opening the rice market to imports if the Uruguay Round is successfully wrapped up before its Dec. 15 deadline.

Chief Presidential Secretary Pak Kwan-youg called a morning meeting of senior presidential aides and Chongwadae [presidential office] officials to give them a pep talk as criticism grows that they are not serving the president ably and correctly.

Government Worried at Influx of Foreign Capital

SK1312083193 Seoul THE KOREA TIMES in English 13 Dec 93 p 9

[By staff reporter Cho Chae-hyon]

[Text] The financial authorities are in a dilemma in dealing with an expected surge of foreign capital inflow next year. On one hand, they will have to find a good recipe to counter the growing foreign capital inflow while they will have to press ahead with promises to ease regulations in order to introduce the free flow of capital on a step-by-step basis under the financial market opening and liberalization blueprint.

Ministry of Finance [MOF] and Bank of Korea [BOK] officials are working out measures to minimize the impact the growing foreign capital inflow will have on the economy. But they have few tools to rely on to tide over problems arising from the capital inflow although they feel that they are at a crucial point where they should find a magic solution to counteract the capital influx.

If the foreign capital inflow remaining unchecked next year, the foreign exchange and monetary policies will have little room to maneuver meaning nation's macroeconomy may be out of government control.

According to the central bank, next year will see the foreign capital inflow hit between 10-13 billion dollars far higher than the six billion dollars this year, which will account for more than 50 percent of the expected total money supply growth next year. It means that more than half of total money supply growth will be caused by the foreign money inflow. Then the central bank will have difficulties in maintaining stable monetary growth, which will have undue pressure on inflation and won currency appreciation.

Nam Se-ki, a senior official at the central bank's International Department, said that the problem is that there seems to be no effective methods to block the foreign capital inflow. The expected conclusion of the Uruguay Round talks will accelerate the opening of the Korean financial market to foreigners. The U.S. is prodding Korea to expand won funding sources of foreign bank branches here and increase the limits of foreign ownership ceiling of Korean stocks. The government vowed that it will raise the current 10-percent ceiling sometime between 1994 and 1995.

MOF and BOK are struggling to delay the expansion of foreign ownership ceiling as long as possible.

Whether the government allows the expansion of the ceiling next year or not will be the most crucial factor in determining the level of foreign capital inflow.

A senior official at BOK's Foreign Exchange Department said that it is most desirable to delay the timing of the expansion of the 10- percent ceiling to 1995.

Citing the increasing foreign pressure to raise the ceiling, he said that if the government is forced to do it next year, it will have to postpone it to the latter part of next year.

A central bank internal report filed by Statistics Department said that what the government is opted to do is to stimulate the exodus of foreign money in order to offset capital inflow.

It said that the government should ease cumbersome rules so that firms will activate their investment in foreign nations and securities. At present, domestic firms are under heavy-handed restrictions in terms of foreign investment.

The central bank also said that the foreign exchange concentration system which limits foreign currency holdings by firms and individuals should be further relaxed in order to boost the outflow of foreign money.

It said that unless the gap between domestic and overseas interest rates is narrowed, the capital inflow will continue to rise because firms will be tempted to take advantage of the interest differences.

The only way for the government to reduce the gap is to pull down domestic interest rates by way of reducing inflation.

Thus, it said that the central bank must not be too rigid on money supply next year in order to reduce inflationary pressure.

As a most effective method to counter the capital inflow, the MOF is mulling levying "tariffs" on foreign capital inflow through introducing variable deposit requirement (VDR).

Korean Air To Design, Supply Boeing With Parts

SK1412043293 Seoul THE KOREA HERALD in English 14 Dec 93 p 8

[Text] Korean Air signed a contract with Boeing to supply aircraft parts worth $300 million, a company spokesman said. Cho Yang-ho, president of Korean Air, and Ron Woodard, president of Boeing, signed the agreement in Seoul yesterday. Korean Air will deliver spoilers and flaps, both aircraft parts used on the wings of airplanes, to Boeing, he said. He said the parts, to be designed by the Korean airline beginning January next year, will be produced starting in May next year.

The firm is scheduled to supply the parts for the first unit of the soon-to-be made B737-xs. The American aircraft manufacturer plans to produce 2,500 aircraft.

The spokesman said, "It is meaningful for Korean Air to participate in the B737-x program from the initial stage such as design."

In the past, Korea Air has produced parts according to a design produced by Boeing, he said. Korean Air has supplied Boeing with parts for about 300 B747s beginning in 1986 and delivered parts for the B777.

The B737-x program is designed by Boeing to gain a competitive edge over the A320 of Airbus and the MD-90 of McDonnell Douglas, he said.

Country Set To Be Sixth Largest Car Maker

SK1312014793 Seoul YONHAP in English 0104 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—South Korea will rise to become the world's sixth largest automobile manufacturing country this year, Kia Economic Research Institute (KERI) said Monday in a prediction based on the latest issues of the U.S. magazine "GLOBAL CAR AND TRUCK FORECAST" and British Automobile Industry Association periodical "MOTOR INDUSTRY," KERI said.

KERI said Korea will produce 2.04 million motor vehicles this year, boosting it from seventh place last year to sixth. Korea became 10th in 1987, leapfrogged Britain to ninth in 1991 and overtook Italy and Russia to claim seventh place in 1992. It is poised to pass Spain, which ranked fifth last year but will build only 1.82 million motor vehicles this year, off 14.1 percent, because of the worst recession the automobile industry in Western Europe has ever seen since World War II.

Canada will produce 2.29 million motor vehicles for fifth, but its growth rate is declining and Korea is likely to catch it up in two or three years.

"Most auto factories in Canada are subsidiaries of foreign automakers and its domestic market is nearly full. Moreover, with the North American Free Trade Agreement (NAFTA), some factories in Canada are expected to move to Mexico, where the labor is cheaper. So Korea will easily overtake Canada in two or three years," KERI said.

Korean automakers had planned for Korea to be the fifth largest manufacturing country in 2000, but now expect to reach the target earlier.

Production of motor vehicles will rise 17.8 percent this year, the highest rise of the 10 major automaking countries, and exports will rise 37 percent.

Institute Expects 6.4% Economic Growth in '94

SK1412055293 Seoul YONHAP in English 0508 GMT 14 Dec 93

[Text] Seoul, Dec. 14 (YONHAP)—The economy will expand around 6.4 percent amid conspicuous signs of recovery next year, according to a report Tuesday by the Korea Institute for Industrial Economics and Trade (KIET).

The economic reforms adopted this year, including real-name financial transactions, will take root next year and help boost economic activities, it says.

Real-name transactions will remove uncertainty, helping investment recover, and exports will rise 9 percent to 89.8 billion U.S. dollars due to expansion of global trade under the Uruguay Round world trade accord.

It forecasts inflation at 5.8 percent and unemployment at 3 percent.

The world economy will grow 2.5 percent next year, helped largely by the recovery in the United States, and interest rates cuts and economic stimulus measures in Japan and the European Community.

Global trade volume will rise 7 percent and global interest rates will remain low.

Oil prices will be stable or fall because Iraq is likely to resume exports and Saudi Arabia and Iran need foreign currency, the report says.

Burma

U.S. Congressional Delegation Arrives

BK1312153593 Rangoon Radio Burma in Burmese 1330 GMT 13 Dec 93

[Text] At the invitation of the Foreign Ministry of the Union of Myanmar [Burma], a United States Congressional delegation led by Congressmen Jack N. Fields, Ralph M. Hall, Paul E. Gillmor, Michael G. Oxley, and [name indistinct] arrived in Yangon [Rangoon] by air at 1540. The Congressional delegation was welcomed at Yangon airport by Deputy Foreign Affairs Minister U Nyunt Swe and responsible personnel.

The delegation visited the Shwedagon Pagoda in the evening. Foreign Affairs Minister U Ohn Gyaw later hosted a dinner for the visiting U.S. delegation at the People's Park Restaurant.

Khun Sa Asks U.S. Aid To End Poppy Growing

BK1412011993 Bangkok BANGKOK POST in English 14 Dec 93 pp 1,3

[Report by Subin Kheunkaeo from Shan State]

[Text] Opium warlord Khun Sa has sent a letter to US President Bill Clinton proposing an end to Shan poppy cultivation if America and the international community would lend assistance to the Shan people to switch to an alternative livelihood over a five-year period.

Khun Sa's Shan State Restoration Council on Sunday declared the state independent from Burma and elected him president. He also set up his own government to administer the country that no one has yet recognised.

The letter to Mr Clinton, made available to a small number of reporters who rode on horseback for eight hours to reach Khun Sa's Ho Mong camp some 100 kilometres from the Thai border at Mae Hong Son's Muang District, was dated October 1, but was actually sent last month.

In the letter Khun Sa linked the problem of Shan narcotics to the Burmese military's scrapping in 1962 of the 1947 constitution that had been the basis for the union of Burma.

To end Shan opium production, the largest source in the world, Khun Sa proposed that this be tackled at the "roots" by the following method: "The Burmese occupation forces together with their administrative apparatus should withdraw like the British did in 1948. In return, we offer our solemn pledge that we would not demand any reparations. Moreover, they would be allowed to retain and leave with their movable properties. However, if the Burmese refuse to leave Shanland and continue to treat it as their colonial possession, the Shan people shall be forced to resort to the blood struggle until victory is won. How much longer the cause of the drug crusade will take is anybody's guess, but one thing is clear: as long as hostilities continue, both the people's sufferings and drug production—strange but inseparable bedfellows will go on.

"I have received assurances from the people that once the Burmese withdraw, they would destroy their poppies on their own. Their only request to the work is that, for the immediate term, to get assistance in the form of rice, salt cooking oil and medical care. As for the medium term, to help them build roads and other means of communications, and to give them the necessary assistance in their substitution programmes. A period of five years would be adequate for this purpose.

"As for their long-term development programmes, the Shan people believe that, on the strength of their natural and human resources, they can do it by themselves. I myself believe a debtfree Shan State is not a boastful notion.

"We also request that with the American initiation, the United Nations, the Association of Southeast Asian Nations, Japan, China and other interested nations send their representatives to monitor and assist in the process. The authorities concerned with myself, in particular, shall be responsible for any default. In exchange for this we would place ourselves under the jurisdiction of the international community for judgement.

"We believe the international community's intervention as outlined above shall not only end Burmese rule and drug production in the Shan State, but also restore peace and democracy in Burma itself, within all probability the eminent Aung San Suu Kyi as the head of the new democratic government of Burma, because with the aggression in the Shan State thus being checked, it would be pointless for the military to continue holding on to power in Burma."

The letter also said that China can play a key role. Since 1989, it said, when the Burmese communist leadership was overthrown by the hilltribes along the Chinese border, drugs have been flowing into the world market mainly through China.

Recent reports of a substantial decrease in the drug-flow indicated the positive role that China can play in the drug crusade. With proper encouragement given to China, she can pressure all different Shan factions to unite thereby contributing to the speedy resolution of the drug problem Khun Sa told Mr Clinton in the letter.

He said that no one in their right mind would pay attention to the frequent bonfires staged by Rangoon with "sham drugs disguised by a small amount of genuine ones on top".

"One refinery may be dismantled and destroyed on one hillside to please the onlookers, but on the other side, another one is continuing its production of the poisonous powder. I would hate myself for the rest of my life, if I were to employ such lowly methods to hoodwink the world," Khun Sa said.

He said that leadership from the White House was needed and this depended on the kind of courage "not unlike that shown by the late President Kennedy during the Cuban Missile crisis".

He commended Mr Clinton for saying that it was "wonderful to have an American president with an open mind" and invited him to send a factfinding mission to the Shan State to talk to the people about the drug problem. Khun Sa said that he will personally be responsible for the mission's "security and accommodations".

On Sunday the 30 "Members of Parliament" of the new Shan Parliament elected their House Speaker, Chao Gun Jed, a right-hand man of Khun Sa and a Lieutenant General in his army. The House Speaker is also Parliament President.

He then proceeded with the election of the president and not surprisingly Khun Sa was elected. The 30 MPs and 1,000 representatives of the people from various towns recognised the election of the president and he then proposed his cabinet.

Khun Sa told reporters later that the Shan State has become independent from Burma and the Government will not seek recognition from the United Nations and other countries.

He said that since December 1, about 6,000 Burmese troops have been camped on the west side of the Salween river while the Shan State is on the east side. They have closed off a 120 kilometre section of the river but so far there have only been three clashes when Burmese troops tried to cross the river. Khun Sa claimed about 10 Burmese troops were killed in these clashes when they were shot out of their longtail boats.

He claimed that a number of "farang" were seen with the Burmese troops and suspected that they were US agents of the Drug Enforcement Agency (DEA).

He said that the Burmese troops will withdraw soon because normally they never try to fight and were only doing so to impress the US that it was trying to do its work.

"I think that the Burmese received some money from the US to suppress drugs," Khun Sa said.

He said that he has always planned to reduce drug production in the Shan State but the US would pay no attention to his attempts and tried to make small things into a big problem.

"It's not difficult to eliminate drugs. If the US wanted to so so they should come in and develop the poppy cultivation area. People grow poppies because they are neglected by the Burmese government. The Shan State has eight million people and they don't know how to do anything else to get food, clothes and medicine—that is why they grow opium," Khun Sa said.

He said that he has no knowledge or resources to reform the land and opium agriculture singlehandedly.

"I can only do about ten per cent of the work and we need help from the international community," Khun Sa said.

He said he has asked the US to send fact-finding missions before but they never took it up his offer.

"They don't have to be afraid, if they are, they can send women because we will not hurt women," Khun Sa said.

He claimed that opium production this year totalled about 4,000 tons and that next year it would be between 5,000 to 6,000 tons.

Convention Delegate Arrested for Buying Heroin

BK1212153293 Rangoon Radio Burma in Burmese 1330 GMT 12 Dec 93

[Text] The Lashio antidrug squad searched the house of U Daing Khaung—No. 54, Dhamma Yeiktha Road, Ward No. 5, Lashio—at about 0845 on 30 November. U Daing Khaung is well-known as a drug pusher. During the search, the squad confiscated a total of 0.00385 kg of heroin and arrested him. The squad also conducted a search of U Ti Khun Kyint, deputy chairman of the Shan State Kokang Democratic Party [SSKDP], in front of witnesses. He resides at Byuhar Road, Ward No.1, Lashio and was at U Daing Khaung's House to buy heroin. During the search, a small packet of heroin wrapped in a paper was found in his possession. U Ti Khun Kyint is not only the deputy chairman of the SSKDP, but is also the representative of the delegate group representing the political parties at the national convention. U Ti Khun Kyint has been smoking opium since 1965. He bought heroin from U Daing Khaung twice in September, and once in October 1993. He was arrested at U Daing House while he was waiting to buy heroin for consumption. The No.1 Lashio People's Police Station has taken action against U Ti Khun Kyint and U Daing Khaung.

Cambodia

US Assistant Secretary of State Meets Ranariddh

BK1312123593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 13 Dec 93

[Text] First Prime Minister Prince Krompreah Norodom Ranariddh received Mr. Winston Lord, U.S. assistant secretary of state, and his aides at the prince's residence on the afternoon of Sunday, 12 December.

The U.S. assistant secretary of state said emphatically that the United States would continue to devote its attention to the implementation of democracy and respect for human rights in Cambodia. He added that U.S. aid—including the restoration of National Route 4 and the stretch of road linking that route with Kampot

Province—will be provided in line with the conferences on international aid to Cambodia and the continued implementation of the Paris accord. The United States will provide heavy machinery to restore Cambodia's irrigation system in response to a request by the Royal Government of Cambodia [RGC]. Regarding the ban on arms shipments to Cambodia, Mr. Winston Lord stressed that the U.S. Government would reexamine its law restricting arms supplies to Cambodia, as this is a question concerning Cambodian security.

For his part, Prince Krompreah Norodom Ranariddh informed his guests about the recent situation in Cambodia, especially the implementation of democracy, respect for human rights, and organization of Cambodia's legal system. He pointed out that he is ready at any time to meet with Mr. Khieu Samphan in a safe place. The prince also called on the United States to help restore National Route 3 linking Phnom Penh with Kampot Province as well as small trails leading to remote areas. Prince Krompreah Norodom Ranariddh further said that there is only one way to solve the Khmer Rouge problem quickly; that is, [words indistinct]. It is the RGC's duty to ensure the people's security and that of the Khmer Royal Armed Forces.

Ends Visit, Departs 13 Dec

BK1412094893 Phnom Penh AKP in French 0410 GMT 14 Dec 93

[Text] Phnom Penh 14 December (AKP)—Mr. Winston Lord, U.S. assistant secretary of state for Asia, left Phnom Penh on Monday [13 December] ending his two-day visit to Cambodia.

During his stay, he was received on separate occasions by Samdech Krompreah Norodom Ranariddh and Mr. Hun Sen, first and second prime ministers of the Royal Government of Cambodia. He also held talks with Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation. He also visited the Cambodian Mine Action Center.

The U.S. assistant secretary of state declared that the Khmer Rouge's entry into the Cambodian Government will hamper U.S. support for Phnom Penh while progress achieved since the elections in May should be consolidated, reported AFP.

Mr. Lord praised the fact that enemies in a 13-year civil war have formed a coalition government after the elections organized by the United Nations. "The challenge now is to consolidate these achievements," he said during a stopover in Phnom Penh before going to Vietnam.

He promised that the United States and the international community will continue to assist in Cambodia's reconstruction.

Asked about Khmer Rouge participation in the government, he thought that Cambodians themselves should make a decision concerning the extremist guerrillas who boycotted the elections and tried to sabotage them in vain. "However, we will never forget" the massacre committed by the Khmer Rouge while they were in power from 1975 to 1978, he added.

The stance of the United States "depends on who is included (in the government) and how they are included. However, it would complicate our efforts (to assist Cambodia) if the Khmer Rouge are included," he said.

Mr. Lord will discuss in Hanoi progress achieved on the question of Americans missing in action during the Vietnam war, which is the main obstacle to normalization with Washington.

State of Relations With Thailand Viewed

BK1412045193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 13 Dec 93

["Political article": "A Visit To Clear Out the Complication"]

[Text] Incidents seemed to take place simultaneously with Thai Foreign Minister Prasong Sunsiri's scheduled visit to the Kingdom of Cambodia, which ended yesterday evening.

A noteworthy incident is that two officials in charge of suppressing the violations of Cambodian territorial waters were shot dead—this incident involved the Thai violators of the Cambodian fishing zone.

The seizure of five tons of arms in a truck heading for Pailin from Thai soil has led the Thai border police to discover 12 caches housing 1500 tons of arms—this amount, according to the VOA, is enough to defend a small country.

Although the Cambodian Government did not make any official announcement concerning the discovery of these arms, the conflicting statements by the Thai police authorities that the arms belong to the Khmer Rouge and the Thai Army officials that the arms belong to Thailand have caused quite a bit of disappointment among the Cambodian politicians.

At [words indistinct] in Cambodia, the order for a Thai-owned floating hotel to move from (?behind) the Chatumuk Conference Hall in addition to the royal government's canceling the contract for the (?IBC) television company has added more strain to Cambodian-Thai economic relations. This plan was criticized by a newspaper in Thailand as a warning to Thai businessmen and a sign that Cambodia is turning from Thailand to Singapore and Malaysia.

These events took place prior to Prasong's arrival in Phnom Penh on 11 December—the first official visit by a high-ranking Thai official after Cambodia was declared a full-fledged kingdom.

As is generally known, Prasong's visit is to pave a way for Thai Prime Minister Chuan Likphai's upcoming visit to Cambodia.

Some pessimists have anticipated strain in the Thai-Cambodian relations. Naturally, there are countless matters concerning countries that share a common border. However, having experienced the war for over two decades, the Cambodian people hope to live peacefully with their neighbors. This hope relates not only to Thailand but also to Vietnam.

One still hopes that leaders of the two kingdoms will seek a peaceful solution based on equal benefits.

Sihanouk Letter Reports on New Schedule

BK1312111493 Phnom Penh AKP in English 1000 GMT 13 Dec 93

[Text] Phnom Penh AKP December 13—Norodom Sihanouk, King of the Kingdom of Cambodia, said he could return to Cambodia in March or April, not in May or June as scheduled before, if his chemotherapy treatment in Beijing hospital is constantly effective till the sixth final stage and his health is as good as today.

In a letter to his compatriots which was released recently, King Sihanouk said the third stage of his chemotherapy treatment came near the end and the fourth stage would begin within the next ten days.

"Thanks to the best care of the eminent doctors of the Republic of China, I feel as good as before," he said.

He said he missed Samdechs [superior Buddhist monks], Buddhist monks and all Cambodian compatriots very much.

Few days ago, after the celebrations of the three national festivals (Tang Tok, independence day and the water festival), he read several newspapers released in Phnom Penh and learnt much of the problems, big and small, being faced by low-ranking people and state employees, both military and civil, Sihanouk said, adding he was deeply concerned but hoped that the Royal Government and the National Assembly would be able to solve the problems.

"I dare not say more about that problems because media has blamed me for intervening in the government's affairs," Sihanouk said, stresssing he is the king who rules but not governs.

Government 'Dismantling' Communist Structures

OW1212050193 Tokyo KYODO in English 0423 GMT 12 Dec 93

[By Tim Johnson]

[Text] Tokyo, dec. 12 KYODO—Cambodia's new democratically-elected government is rapidly dismantling the "corrupt" and "authoritarian" communist structures inherited from the previous Vietnamese-installed government, according to Economy and Finance Minister Sam Rangsi.

Rangsi, in a recent interview with KYODO NEWS SERVICE, distinguished Cambodia from neighboring Vietnam and Laos, where he suggested communist philosophy and structures remain entrenched despite moves toward market-oriented economies.

"We are engaged in the decommunization of our country at all levels—at the economic level and at the political level—because we think that economic freedom cannot be separated from political freedom," he said.

"We realize there is a need to reform the administration and the state apparatus so it matches the mechanization of a market economy," he said. "The structures that we inherited from the former communist regime are not appropriate."

The outspoken Sorbonne-educated economist was elaborating on remarks he made Friday [10 December] in the presence of Vietnamese and Laotian delegates at a closed-door international forum in Tokyo on comprehensive development assistance for Indochina. Rangsi said the United Nations-organized elections earlier this year have given Cambodia a "historic chance" to become a full-fledged free-market democracy.

"This makes a difference between the situation in Cambodia and the two other countries," he said.

Rangsi said that among the problems inherited from the former government are an excessively "strong and heavy" bureaucracy, "a lot of corruption" and a system of rule that is "very authoritarian, with a lot of control at every level."

"So we need transparency in our laws and regulations and in our procedures," he said. "Only with transparency can we cut into bureaucracy and fight corruption."

Rangsi, who prior to the elections was seated on the Supreme National Council, is a senior figure in the royalist party FUNCINPEC led by Prince Norodom Ranariddh, Cambodia's first prime minister.

FUNCINPEC won the election, but shares power with the party led by Second Prime Minister Hun Sen, who headed the previous Phnom Penh government.

"The new government has started reforms with far-reaching implications and we have the political will to do it because we are backed by the people and we are directly elected by the people," Rangsi said.

The 44-year-old technocrat acknowledged there is resistance to his government's decommunization efforts from members of the previous communist government and bureaucracy installed in 1989 after Vietnam's invasion to oust the Khmer Rouge from power.

"As in any country there are two conflicting forces—progressive forces and conservative forces," Rangsi said.

He said the government has been able to proceed with "drastic measures" to effect change since there is "good understanding and good cooperation from the top leadership of the two parties" as well ready support from the population.

"In between, there is some resistance from people with vested interests who want to defend procedures and structures which are inefficient and benefit only the few to the detriment of the majority," he said.

Minister Downplays Pay Increase Controversy

OW1012151193 Tokyo KYODO in English 1443 GMT 10 Dec 93

[By Tim Johnson]

[Text] Tokyo, Dec. 10 KYODO—Cambodian Economy and Finance Minister Sam Rangsi Friday [10 December] downplayed fears that resentment by impoverished soldiers and police over the National Assembly's 5,900 percent pay increase could boil over into violence. "This problem should not be overdramatized," Rangsi said, alluding to reports from Phnom Penh that the government fears possible unrest among discontented security forces.

He said that a major portion of the pay hikes are intended for the parliamentarians to use for costs incurred in visiting the constituences and making contributions to local pagodas, a portion of which goes to benefit the poor.

In November, the National Assembly raised the pay of its 120 members from about 30 dollars a month to 1,800 dollars a month, triggering criticism by state employees, students and the local press. The 1,800 dollars includes a salary of 650 dollars and an expense account of 1,150 dollars.

The huge raise was aimed at ridding parliament of the corruption that permeates all levels of Cambodia's cash-starved government as it emerges from two decades of conflict.

Last Wednesday, Cambodian Secretary of State for Information Khieu Kanharit said the government was trying to persuade police and soldiers to remain calm and not participate in any demonstrations concerning salaries.

Rangsi took issue with media reports that none of Cambodia's 260,000 soldiers and police, or its 300,000 civil servants, have yet received a promised pay raise and are still earning the equivalent of between 10-35 dollars a month.

The finance minister said all state employees were granted a 20 percent salary increase at the end of October. He said that considering the more than 10 percent drop in commodity prices, they are actually getting 30 percent more in purchasing power.

Rangsi recalled that when he took office, "the state coffers were empty, the inflation rate very high, and there was concern the state could not afford to pay salaries for the civil servants, for the soldiers, for the policemen."

"But by increasing state revenues and by controlling expenditure we succeeded in eliminating the public deficit and we can afford to give wage increases for the first time in years," he said.

Rangsi recognized that bitterness over pay among armed soldiers and police could pose a problem. But he said it must be made clear that parliamentarians in Cambodia, when visiting their constituencies, are required by tradition to go to local pagodas to pay respect to the monks there.

"Each time you go to the pagoda you have to give money because the pagoda helps the poor, so if you want to help the poor, and there are so many, you can help them through the pagoda," he said.

Rangsi said he expects parliamentarians to use their expense accounts properly "because it can be shocking if you keep that money and have a very high living standard compared to the rest of the population."

Indonesia

Portugal Accused of Twisting East Timor Facts

BK1412073893 Jakarta THE INDONESIA TIMES in English 6 Dec 93 p 1

[Text] Indonesia's Foreign Affairs Ministry deeply regrets that despite the understanding achieved during the last meeting between the foreign ministers of Indonesia and Portugal in New York on September 17 under the sponsorship of the UN secretary general, the government of Portugal continues to make unsubstantiated charges against Indonesia and to twist the facts surrounding the issue of East Timor.

The Foreign Affairs Ministry stated in a press statement sent to the INDONESIA TIMES on Sunday that the charges supported neither by facts nor reported from impartial observers can only undermine the ongoing dialogue between the two countries which is aimed at bringing about a just, comprehensive, and internationally acceptable solution to the question of East Timor and call into question Portugal's sincerity in carrying out its commitments under the present dialogue.

A clear proof of bad faith on the part of the Government of Portugal is the deliberate use of the term "massacre" in a recent statement by the Portuguese Ministry of Foreign Affairs to describe the incident of 12 November 1991 in Dili. The Government of Portugal is bound by the 1992 chairman's statement of the Commission on

Human Rights. The chairman's statement specifically employs the term "incident" which was agreed upon by the parties concerned.

In the interest of the truth, the Department of Foreign Affairs would like to cite the following facts to set the record straight on the current situation in East Timor.

1. With regard to the incident of 12 November 1991 in Dili, the Government of Indonesia has made every effort to resolve all outstanding issues related to this tragic event. In line with this, the Government of Indonesia has worked closely with the secretary general of the UN and has kept him informed of all steps it has taken. This includes undertaking an exhaustive search for all persons who were listed as unaccounted for after the incident. In his intensive search, the Government of Indonesia involved a number of national and local government agencies and sought and obtained the assistance of civic and social organizations, community and religious leaders as well as the general public. As a result of these efforts, many of those listed as unaccounted for have been located. A good number of them actually presented themselves to the East Timor authorities after having learned that those earlier found by the authorities were treated well and were allowed to go home.

2. Concerning access to the province of East Timor, the Indonesian Government has made serious efforts to comply with the understanding reached on 17 September 1993. For some time now, the International Committee of the Red Cross and a number of nongovernmental organizations have been active in East Timor. Recently, 20 defence attaches based in embassies in Jakarta and a delegation from the European Parliament toured the province. Also recently three prominent Portuguese civic leaders, namely Mr. Manuel Joaquim Rodrigues Macedo, Mr. Gaspar Silvio Lopes Santa Rosa, and Mr. Jose Martins visited East Timor. It should be noted that following their visit, these three gentlemen made a statement that reports circulated in Portugal do not reflect the positive developments that have taken place in East Timor.

3. The Portugal-Indonesia Friendship Association (PIFA) was established on 21 October 1993 in O Porto, Portugal to promote mutual understanding between the peoples of Portugal and Indonesia through cultural and economic channels. This organization represents a private initiative of leading Portuguese citizens and is a clear indication that enlightened circles in Portugal recognize that the disinformation campaign being waged by their government against Indonesia is doing harm not only to Indonesia but to their own country as well.

4. The East Timor Military Command has been formally disbanded and replaced with a regular military command structure identical to that found in each of Indonesia's other provinces. Of the eight battalions currently stationed in the province, seven are devoted to the implementation of development projects throughout the province. By 1995, all but two of these battalions will have been phased out of East Timor.

5. The Government of Indonesia would also like to reiterate that the people of East Timor have exercised the right to self-determination by choosing in 1976 independence through integration with Indonesia under UN Resolution 1514 (XV) and Principles VI, VIII, and IX of General Assembly Resolution 1514 and the relevant provisions of General Assembly Resolution 2625 (XXV). This act of self-determination has been confirmed three times through the active participation of the people of East Timor in Indonesian national elections. More recently, 35 East Timorese tribal leaders presented a statement to President Suharto emphasizing their commitment to integration with Indonesia.

The steps taken by Indonesia in the province are in line with the understanding reached during the 17 September 1993 meeting that both the Portuguese and Indonesian Governments would carry out confidence-building measures in order to engender a favourable climate for dialogue between them.

Indonesia is fully committed to cooperation in good faith with the secretary general of the United Nations in his efforts to find a just, comprehensive, and internationally acceptable solution to the question of East Timor. In this regard, the Government of Indonesia welcomes the positive result of the last dialogue between Indonesia and Portugal under the auspices of the secretary general. If these discussions are to be successful, we feel it is imperative that Portugal demonstrate its good faith and commitment to implement the understanding of 17 September 1993. This could only be accomplished if Portugal immediately ceased its efforts to discredit Indonesia through the dissemination of baseless accusations and distortions of facts as well as its support for activities that only serve to hinder the process of development in a province that was neglected during hundreds of years of Portuguese colonization.

Economists Comment on Effects of NAFTA

BK1312092193 Jakarta SUARA PEMBARUAN in Indonesian 20 Nov 93 pp 1, 15

[Excerpt] SUARA PEMBARUAN interviewed Jisman Simanjuntak, an economic observer, and Faisal H. Basri, deputy director of the Institute of Economic Development and Management at the University of Indonesia, in Jakarta on Friday (19/11). They concluded that Indonesia is being over-apprehensive about the formation of NAFTA due to fears that the country's exports to the United States will face more protectionism. They say that NAFTA does not regulate the foreign trade policies of its member countries, but deals with the free trade issues of the three member countries—the United States, Canada, and Mexico.

According to Faisal, there is no reason for Indonesia to feel uneasy if NAFTA comes into effect in January 1994.

It is also unreasonable to regard Mexico as Indonesia's rival with regard to drawing foreign investment.

"The products from Indonesia and Mexico, which enter the U.S. market, are not the same. Even if there is a similarity, it is very slight," Faisal said.

Faisal says that with the implementation of NAFTA, import tarrifs for goods flowing through the three countries will be reduced from 10 percent to 0 percent within 15 years. This will not affect Indonesia's products entering the U.S. market because Indonesia still has a comparative edge over Mexico. Indonesia can provide cheap labor even though the wages are much lower in Mexico than in the United States.

Faisal is of the opinion that Indonesia should use the momentous implementation of NAFTA to improve its investment climate by simplifying procedures to foreign investors. He says trade and investment deregulation packages like those recently announced by the government should continue.

He is also not apprehensive if Japanese industries, which recently were set up in Indonesia and in other Southeast Asian countries, are relocated to Mexico. Faisal feels, however, that if there is a relocation of Japanese industries to Mexico, the transfer will not be directly from Japan to Mexico, but from the United States to Mexico. All Japanese industries that have been in the United States for the past 10 years will be relocated to Mexico.

He regrets having heard some opinions that the enforcement of the rules origin [preceeding three words in English] on export products to the U.S. market will pose a threat to developing countries. This is because the compulsory imposition of the rules of origin only applies to the three member countries under NAFTA.

In the meantime, Jisman feels that Mexico is not Indonesia's competitor because their exports to the United States are not the same.

Mexico exports more electronic products and automotive components to the U.S market, while Indonesia exports goods that rely on cheap labor and medium-level technology.

Jisman says there is no reason to claim that Indonesian products will have a problem entering the U.S. market. This depends on the quality of the exports products. "If our exports products to the United States were the same as products from Mexico, yes, definitely we would lose," he added. [passage omitted]

Editorial Notes APEC 'Success' for Nation

BK1212141393 Jakarta MERDEKA in Indonesian 20 Nov 93 p 4

[Editorial: "The Meaning of APEC's 'Success' for Indonesia]

[Text] The Asia-Pacific Economic Cooperation (APEC) forum which was conducted near a Seattle tourist resort concluded with relative success.

Japan did not wish APEC to be turned into a high-level institutional body. On the other hand, Indonesia considered it appropriate if APEC should take the form of a consultative body where Asia-Pacific regional trade and economic problems could be solved.

If Indonesia's desire turns out to be as stated above, then our country has succeeded in uplifting its posture in accordance with our aspiration—that is, not to be known as an economic "underdog" [preceding word in English] anymore by the Asia-Pacific regional economic dragons.

We should be courageous in acknowledging such a fact because if we do not personally realize our standing amid the international community, then we will be perpetually branded as "a frog under the nutshell."

Let us momentarily reminisce and compare the economic strength of every member country in APEC. It is clear that Japan ranks topmost on the list, meaning that it is the major exporting country to the United States with its exports exceeding U.S.$100 billion while its imports from the United States stand at only U.S.$90 billion.

Second on the list are South Korea, Taiwan, the PRC, Hong Kong, Singapore, and Thailand. They are followed by Australia and New Zealand with the Philippines and Indonesia last.

Indonesia, which has a population of nearly 200 million, is considered as being subdued by Singapore in exports and imports to the United States because of the fact that Singapore's population is only about two-and-a-half million people.

This is the "truth" why we should be courageous in knowing ourselves as being the "underdog" and why Singapore was making an all-out effort to support APEC while Mahathir Mohamed was sulking.

If this is the overall atmosphere, then it will be damaging for Indonesia, which is clearly considered only a "small fry." On the other hand, Indonesia is the leader of the Nonaligned Movement and this makes it even worse and more worrisome for us.

It seemed that during the APEC forum President Bill Clinton touched on issues relating to East Timor and Indonesia's advocation of human rights. We do not believe such a report. Why? Indonesia was prepared to attend the APEC forum and hold back its sentiments because Indonesia was looked upon as an underdog in the international forum.

If the issues on East Timor and human rights were linked with the Asia-Pacific economic forum, then we would be of the opinion that linking such issues to trade and economic issues would not bring about a much desired political system.

On the question of human rights, we admit that there are numerous issues which we would have to eliminate so that democracy and human rights would be further advocated in accordance with the Pancasila and 1945 Constitution.

This process would be time-consuming and should be jointly endeavored through a just and fair struggle. We believe that we will achieve the final objective of having a just, prosperous, and respectful society.

If such a report were true, then the sensitive and pressing issue should not be mentioned by the APEC host to its guest, President Suharto. This would be tantamount to taking a stinging swipe at Indonesia and its people.

On the other hand, had Indonesia been dragged to attend the international forum on trade and given a "lesson" on democracy and human rights, then it would be relevant for Indonesia to send only its foreign and trade ministers.

Then there is another issue. The principle of partnership, which is a basis for solidarity and unity among APEC members, would not be as susceptible as it would appear on the written document.

Every member country would place more emphasis on trade and economic matters and free competition just for the sake of their respective country's interests instead of stressing equality. The European Community is such an example because its problems are difficult to solve.

If free competition was unconfined among the APEC regional countries, then those countries with undeveloped human resources would definitely be left behind by their fully developed counterparts.

The weaker nations with their undeveloped human resources and potential natural resources would definitely remain as underdogs if there were no just structures.

That is why we fully agree if APEC takes the form of a "loose and unbinding" regional trading platform. We truly aspire to stand on equal ground with other nations.

Foreign Trawlers 'Steal' Marine Resources

BK1112123593 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 11 Dec 93

[Text] A number of fishing trawlers flying foreign flags have again plundered national marine resources in the West Aceh waters and made life difficult for local fishermen. The foreign trawlers usually operate near the coastal areas at night, while in the daytime they operate in international waters.

(Isak Pekan), chief of West Aceh District, confirmed the existence of foreign trawlers that steal the country's marine resources. Since the trawlers began their operation, several fish nets belonging to the local fishermen have been destroyed, causing them heavy losses.

Minister Says Nation Unafraid of 'Sukarnoism'

BK1412155693 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 14 Dec 93

[Text] Susilo Sudarman, coordinating minister for politics and security affairs, has said that the Indonesian people have never been afraid of Sukarnoism. Speaking after a meeting with Vice President Try Sutrisno in Jakarta today, Susilo Sudarman said such fear is irrelevant because Pancasila ideology has been declared the state's sole ideology. He said the fear of Sukarnoism—in view of Megawati's imminent election as chairperson of the Indonesian Democratic Party—is just an excuse made by certain people. It can only lead to national disunity. Susilo Sudarman also believes that Megawati is not bent on propagating Sukarnoism. She has personally given him repeated assurances on the matter.

Editorial on Existing Political Life, Democracy

BK1412080793 Jakarta SUARA PEMBARUAN in Indonesian 24 Nov 93 p 2

[Editorial: "The Transparent Political Culture"]

[Text] The opinion expressed by Abdurrahman Wahid that Pancasila [Sanskrit word referring to the state ideology] democracy is a semiauthoritarian rule has drawn reactions from various groups. Major General Sembiring, deputy chairman of the Armed Forces of the Republic of Indonesia [ABRI] faction in Parliament, has reacted by saying that the current democratic life in Indonesia is not what is expected by the people because it is still in the process of finding its final form. More time is required before Indonesia could come out with the final version of its democracy. Therefore, it is normal that the road to democracy is marked by several kinds of dynamism of life (KOMPAS 24/11).

In this regard, some time ago we heard some people saying that democracy in this country is still formal and standardized. This means that the existing democracy does not guarantee a democratic life for the people the way they expect it to be.

We agree with the deputy chairman of the ABRI faction that we are still in the process of finding the final form of democracy that would be a change for the existing one. In view of this, we would need quite some time to make the final evaluation on the reality of this particular form of democracy before we can implement it. However, this does not mean that we would remain static or make no effort to further develop the democratic principles to ensure that they are more emphasized in the dynamism of our people's day to day life or from time to time. In other words, we expect all developmental achievements to be able to have an impact on the creation of a more democratic life for the people.

An understanding of the above-mentioned fact is important. This is because right from the beginning we have agreed that the basic problem in our national development is not confined only to issues relating to politics, economy, science and technology. It is also related to moral, ethical, and spiritual issues, along with democracy. We must also bear in mind that along with the current and future modernization and industrialization programs that we are exposed to, we can foresee the erosion of moral, ethical, and democratic values in our daily life.

Therefore, it is understandable that the opinions and ideas expressed about the implementation of democracy in our country are an undetachable part of the development process itself. On the other hand, we must realize that the people's political maturity and evaluation on the practise of democracy in our country is proof that the democratic principles do exist and are guaranteed in our national life.

Thus it is not correct for some people to say that democracy in our country is being distorted. In other words, we have to admit that in the process of our democratic life we continue to experience changes. For example, of late, we see several demonstrations by the people who want to express their aspirations in a professional way. This is one source of proof that democracy in our country is not static but on the contrary, it is dynamically searching for an acceptable form that fits our national identity.

What is needed to be developed now and in future is a political culture that could guarantee the dynamism of life and modernization. We say this because based on our observation, the type of problem that we often encounter within our system of democracy is the lack of an open attitude from many groups to new dynamism, new aspirations, and new visions that are compatible with the changes in the decade. If this is the case, our political culture should be more transparent and maintain an open attitude toward several changes that are taking place.

Relatively, the bureaucracy should cultivate an open channel for social communications. The government officials must allow the people to participate actively, positively, and to show their creativity in national development. The people from a closed society who are afraid to express their opinions due to their narrow fraternalistic culture will not have their aspirations fulfilled and in turn will cause stagnation in the development of democracy.

Again, we would like to say that our democracy is not static. Democracy in Indonesia will continue to spread in accordance with social dynamism. The only problem is that we have to seek a form of democracy that is fit to be practiced. We suggest that a political culture that is more democratic, fair, and humane should be adopted. It should also be a democracy that is dynamic and open to all kinds of changes and reforms.

Considering that the final shape of democracy is yet to be found because we are still in the process of doing that, efforts should be intensified to create a political culture that will lend support to the implementation of the democratic principles. If this is not done, our democracy will remain formal and standardized.

Philippines

Romulo Concerned Over Ukraine Missiles

BK1412011893 Quezon City MALAYA in English 9 Dec 93 p 3

[By Butch Franco]

[Text] The Philippines has expressed concern over Ukraine's possession of more than 1,000 long-range nuclear missiles since its lack of expertise in handling these armaments could give rise to another Chernobyl nuclear disaster.

"Our fear is that untoward (incidents) might happen due to (Ukraine's) lack of expertise in handling nuclear armaments," Foreign Secretary Roberto Romulo said yesterday. He noted the Soviet Republic's failure to fulfill a 1992 commitment to get rid of all its long range nuclear weapons.

"If you don't have the expertise, at least you must know that there'll be a chance of (experiencing) a Chernobyl-like nuclear catastrophe," he said.

He said 11 nuclear scientists from the Ministry of Atomic Energy of the Russian Federation have recently appealed to all countries around the world to do something about the "inadmissible situation" in Ukraine. They said Ukraine has committed "serious violations" like over packing depots with activated nuclear ammunition, laxity in changing wornout components, and carrying out of repair works without technical documentation.

Ramos Signs Death Penalty Bill Into Law

BK1412063393 Quezon City Radio Filipinas in English 0230 GMT 14 Dec 93

[Text] President Ramos signed yesterday Republic Act No. 7659 restoring the death penalty for 13 heinous crimes six years after capital punishment was abolished under the 1987 Constitution. The law will cover crimes committed once Republic Act No. 7659 takes effect 15 days after its publication in two newspapers of general circulation.

For the past six years our society and our criminal justice system have been placed under severe stress by violent crimes, quote unquote, the president said. This Republic Act [RA] is the measure of our strength in law. By this, we recognize that our society cannot stop violence and heinous crimes by simply trying to humanize criminals in our midst, quote unquote, he added. The last time the death penalty was imposed was when notorious drug trafficker Lim Seng was executed by musketry in 1973.

RA 7659 imposes the gas chamber as a means of execution but the Bureau of Corrections can use the electric chair while the gas chamber is still being built.

The crimes punishable with death are treason, piracy and mutiny on the high seas, bribery of public officials to cover up heinous crimes, parricide, murder, infanticide, kidnapping, robbery with violence against or intimidation of persons, destructive arson, rape, plunder, violation of Dangerous Drugs Act, and carnapping. The force the law provides of any public official who ask for bribe to cover up a crime punishable with either life imprisonment or death will be meted to death penalty. [sentence as heard]

Kidnapping is considered punishable with death when illegal detention lasts for more than three days if any serious physical injury or death is inflicted upon the victim and when the victim is a minor. Robbery is considered heinous when it is committed with homicide, rape, intentional mutilation, or arson. Convicted arsonists can be meted death penalty when the criminal razes down one or more buildings, any train or locomotive, ship, vessel or airplane, buildings devoted to the use of public utilities, or when the crime is committed to conceal bankruptcy or to defraud creditors and collect from insurance.

Rape is punishable with death when the victim is under 18 years old and the offender is a parent, attendant, stepparent, guardian, relative by consanguinity or affinity within a third civil degree or the common law spouse of the parent of the victim; when the victim is under the custody of the police or military authorities; when the rape is committed in full view of the husband, parent, any of the children, or other relatives within the third degree of consanguinity; when the victim is a religious personality or a child below seven years old; when the offender knows he is afflicted with Acquired Immune Deficiency Syndrome or AIDS; when the crime is committed by a soldier or a policeman; and when the crime results in a permanent physical mutilation of the victim.

Plunder is punishable with death when a public official amasses or acquires ill-gotten wealth worth at least P50 [Philippine pesos] million.

President Ramos, in signing Republic Act 7659, noted that the Constitutional Commission decided that criminal laws' main objective should not be retribution but the reform and rehabilitation of offenders. The charter framers, however, also allowed Congress to decide later on to restore death penalty for heinous crimes, quote unquote, for compelling reasons, the chief executive said. In reexamining the provision of our Constitution, we do not reject its spirit, but only say that there are now compelling reasons for restoring capital punishment with respect to crimes which our people and our government consider so heinous or so inhuman that the ultimate penalty must be in fullest effect. The president cited recent crimes wherein, quote unquote, public sensibilities had been lacerated by acts of great cruelty and heartlessness. We have listened to the louder and louder demand of our citizenry for a tougher stand against crime and stiffer penalties for criminal offenders, Mr. Ramos said. He said the stakes that more heinous crimes will be prevented in the future with the restoration of capital punishment. He said by drawing this line against heinous crimes, our people are saying that they will not live in a society that cannot defend itself against crime, that will not make clear distinction between the innocent and the criminal, and that will not punish the guilty, quote unquote, he said. All death sentences are to be automatically sent to the Supreme Court within 20 days for a review. RA 7659 also raised the minimum pare for life imprisonment from 20 years to 40 years. In a further charge under Republic Act 7659, offenders also cannot avail of plea bargaining.

Ramos Orders Passport Issued to Sison

BK1012104093 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 10 Dec 93

[Text] The president has ordered the issuance of a passport to Jose Ma. Sison, exiled Communist Party of the Philippines chief. The passport is valid for six months, hence, Sison can still get a reentry visa from the Dutch Government.

Malacanang [presidential office] said that the issuance of passport to Sison is in preparation for the coming peace talks in Vietnam. However, there is still no date as to when the peace talks will start.

CPLA Agrees To Merge With Government Forces

BK0912093493 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 9 Dec 93

[Text] The Cordillera People's Liberation Army [CPLA] has finally agreed to be integrated with the Armed Forces of the Philippines. This was disclosed by CPLA Chief of Staff Jimmy Sawatang in connection with the start of the 45-day training of some 300 CPLA regulars at Camp Aquino, Tarlac.

Sawatang said that the decision was in reply to President Fidel Ramos' call for help in the implementation of government projects in the mountains. He further added that this move will help in the attainment of true peace in Cordillera.

Army Begins Withdrawal From Northern Luzon

BK1312032393 Manila PHILIPPINE DAILY INQUIRER in English 7 Dec 93 p 13

[By Raymond Catindig]

[Text] Tuguegarao, Cagayan—The Philippine Army has started pulling out its troops from former rebel-infested areas in Northern Luzon following what it called the "diminishing threat" of communist insurgency in the region.

This developed after the Regional Peace and Order Council approved the military's turnover of its counter-insurgency operations to the Philippine National Police (PNP).

The move was hailed by Tuguegarao Archbishop Diosdado Talamayan, who immediately passed a resolution of gratitude from the archdiocese.

Counter-insurgency operations were turned over to the PNP in six towns in Quirino and 23 western towns in Isabela. Before March 1994, the police will take over counter-insurgency supervision in 14 towns in western Cagayan and the remaining 14 towns in eastern Isabela.

Brig. Gen. Edgardo Batenga, commander of the 5th Army Division, said the gradual turnover of counter-insurgency operations to the police was recommended by an internal security oversight committee.

The committee, which was formed by the tactical units of the army with their counterparts from the PNP, determines if an area is cleared of threats from the insurgents.

Batenga earlier announced the collapse of all eight communist fronts in Northern Luzon, including the dissipation of the New People's Army (NPA) first national battalion which, he said, was the only legion of communist rebels in the country.

He attributed the waning threat of communist rebels to Oplan Lambat Bitag: Lansagin One and Two [Operation Plan Dragnet, Snare: Demolish One and Two].

He also said the supervision of the Civilian Armed Forces Geographical Units in the region will be gradually turned over to the PNP.

In Cabanatuan City, Brig. Gen. Jose Maria Solquillo, commander of the 7th Infantry Division, said his division is winding up its anti-insurgency campaign in its area of operation which covers most of the provinces in Regions 1, 2 and 3, including Aurora province.

Areas which have been cleared of threats from insurgents are being turned over to the PNP, Solquillo said.

These are the towns of San Nicolas, Batac, Paoay, Currimao, Piddig, Sarat and Marcos in Ilocos Norte and six towns in Abra.

Before the end of the year, counter-insurgency operations in the whole of Abra, Ilocos Norte, Ifugao and Mountain Province shall have been turned over to the PNP.

Solquillo said army soldiers will be recalled for retraining in socio-civic action duties. "Expect our soldiers to be holding not guns but hammers, shovels, bolos and equipment for construction soon," he said.

Government To Go After 'Lost Command' Group

BK1412025393 Manila MANILA BULLETIN in English 9 Dec 93 pp 1, 8

[By Isabel de Leon and Ferdie M. Ramos]

[Text] Vice President Joseph Estrada said yesterday that the government is ready to launch a major offensive in Mindanao to flush out the remaining "Lost Command" group of the Moro National Liberation Front (MNLF) believed to be responsible for various crimes, including the kidnapping of American linguist Charles Walton.

In a press briefing shortly after he presented Walton to President Ramos in Malacanang, Estrada, also chairman of the Presidential Anti-Crime Commission (PACC), added that he had asked the MNLF leadership to discipline the Lost Command group popularly known as the Abu Sayaf, which kidnaped Walton in Pangutaran, Jolo, last 14 November.

Foreign missionaries and volunteers in Sulu have been pulled out in preparation for the military operation to be conducted in the area.

Walton told Filipino journalists that he was well cared for by his captors, given three meals a day, while being kept in a dog house. He said that he was made to sit down all the time he was a captive and was allowed to stand up only when he had to go to the comfort room.

"I never lost hope and I kept on praying," he said.

Air Force [Subhead]

The OV-10 Augusta gunship-bombers of the Philippine Air Force started making "persuasion flights" over the Sulu skies Tuesday, as combat-ready marines and police forces await final instructions to attack the encampment of the Abu Sayaf Muslim extremist kidnapers of American Charles Walton.

Col. Romeo Daranciang, commander of the 2nd Marine Brigade in Jolo, said punitive actions should be conducted against the Abu Sayaf, but there are some complications due to the presence of Moro National Liberation Forces in the area.

"We don't want to jeopardize the ongoing peace talks between the government and the MNLF," Daranciang said.

Any military offensive in Jolo, and area covered by the Jakarta cease fire agreement needs the final approval of the "higher ups" although "we want to finally neutralize the Abu Sayaf group by attacking their encampment at Sitio [village district] Lumabaan, Patikul," he added.

Daranciang pointed out that the Abu Sayaf bandits only recently transferred their operations to Jolo after their followers were killed and their camps destroyed following an offensive launched by the military against them in Basilan for kidnapping three Spanish nuns early this year.

The Abu Sayaf remnants headed by Ustadz Abdurajak Janjalani are allegedly aiming to establish a pure Islamic state in Mindanao.

1993 Exports Reportedly Top $10 Billion

BK1412050093 Manila MANILA BULLETIN in English 10 Dec 93 p B-1

[By Fred M. Lobo]

[Text] President Ramos welcomed yesterday a government report showing that for the first time, Philippine exports hit the $10 billion mark from January to November this year.

The president also welcomed import commitments from the WMI Muebelen International of Netherlands for wood and furniture imports and investment pledge from the Pat Robertson group.

The Department of Trade and Industry reported to the President that the country's exports as of the end of November topped the $10 billion mark for the first time.

"We have never reached this export level in the past and here we are achieving this in only the 11th month of 1993," Trade Undersecretary Cesar B. Bautista said in a memorandum to the President.

He attributed the achievement to the increasing competitiveness of the country's export producers.

This year, the value of Philippine exports is growing by a record 13 percent, Bautista said.

During the past five years, the country's exports increased only by an average of 8.4 percent annually, he added.

"But striving for excellence must continue," Bautista assured the President, saying that their target is to make exports grow by 19 percent per year during the next five years to ensure realization of the "Philippines 2000," vision.

Ramos also met yesterday with Pat Robertson who paid a courtesy call and discussed with him investment prospects in the field of broadcasting, making movies and film animation possibly in Subic.

Robertson owns the Christian Broadcast Ministry and the Mary Tyler Moore Studios.

The president, meanwhile, directed Trade and Industry Secretary Rizalino Navarro to coordinate with Environment and Natural Resources Secretary Angel Alcala in the implementation of measures designed to ensure the steady supply of the country's hardwood for exports.

The president issued the order during his meeting yesterday with Paul Cornelissen, president of the WNI Muebelen International of the Netherlands, biggest Dutch importer of rattan wicker furniture from the Philippines. The Dutch firm has been importing rattan and wicker products from the Asian Rattan Manufacturing Corporation of Angeles City since 1983.

Cornelissen said that his company plans to cut down on its logistics and manpower in Europe, but they see "wood materials to be a big problem."

Third Quarter Public Debt at P1.13 Trillion

BK1312073793 Manila BUSINESS WORLD in English 6 Dec 93 p 18

[Text] Total outstanding public debt of the National Government (NG) already stood at P1.13 trillion [Philippine pesos] as of September, 0.89 percent higher than the P1.12-trillion level recorded in August.

As in the previous month, this upward shift resulted mainly from the NG's increased borrowings from external sources. At end-September, its external debt stood at P627.39 billion, a substantial 5.61 percent increase from the P594.08 billion posted earlier.

Of these foreign liabilities, regular accounts accounted for P475.92 billion or 75.86 percent. Statistics from the Bureau of Treasury (BT) indicate these inched up as NG's direct loans grew 6.08 percent to P346.21 billion. These debts cornered 72.75 percent of the aggregate regular loans.

Some P291.52 billion, eating up 84.2 percent of the direct loans, were availed by various government agencies. The remaining P54.69 billion, on the other hand, went to government-owned-and-controlled- corporations (GOCCs).

Aside from those directly borrowed by the NG, regular accounts also consisted of assumed loans. Amounting to P37.87 billion, these liabilities rose 3.58 percent from the previously recorded figure. As defined under Proclamation 50, these loans consist of debts originally borrowed by GOCCs but were later transferred to the NG.

Moreover, regular accounts included of the Philippine bond converted loans. Implemented under the Philippine Financial Plan, these loans expanded 3.05 percent from P89.12 billion to P91.84 billion.

Externally-generated funds likewise came in the form of guaranteed and contingent accounts. As of the period in review, these loans already reached P151.47 billion, 6.65 percent more than the previous level.

This developed with the P9.44-billion additional guaranteed and contingent loans during the period.

Meanwhile, the NG continued to reduce its borrowings from domestic creditors. Recorded at P506.03 billion, locally-sourced funds dropped 4.18 percent from the P528.1 billion registered at end-August.

Regular accounts, making up 98.98 percent of domestic borrowings, fell 4.23 percent to P500.86 billion. This resulted from the 4.57 percent decrease in the amount of liabilities directly incurred by the NG.

As of end-September, these domestic direct loans were comprised solely of availments of government agencies which declined from P483.52 billion as of August to P461.41 billion at end-September.

During the period, no additional loans were relent to the GOCCs. Similarly, domestic debts assumed by the NG remained pegged at P39.44 billion.

Meanwhile, internal contingent and guaranteed loans rose 0.98 percent to P5.17 billion. Such increase can be attributed to the 1.06 percent increment in NG's guaranteed loans.

Government Budget Deficit Expectations Reported

BK1412045093 Manila THE MANILA CHRONICLE in English 10 Dec 93 p 13

[Text] The national government's budget deficit is expected to rise to P20 billion [Philippine pesos] by year end, although 21 percent lower than the projected final gap of P25.4 billion, according to preliminary estimates of the Department of Finance (DOF).

A DOF official said the government managed to keep its deficit due to continued restraints on spending and the improving collection efforts of the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) during the last few months of the year.

The lower-than-expected budget deficit will save the government at least P540 million in additional interest payments, assuming an average 10 percent interest, the DOF claimed.

DOF officials said the BIR and BOC are expected to surpass their revised collection targets of P143.4 billion and P77.55 billion, respectively, due to improved efficiency. The BIR and BOC collections account for 84 percent of the total revenue take of the government.

The DOF expects 1993 revenues to drop by 4.8 percent to P269.6 billion from its programmed collection of P283.1 billion.

Government expenditures have been pared down by a bigger 6.2 percent to P289.6 billion for this year from the targeted P308.7 billion.

The DOF said the government can barely make up for its underspending for the most part of the year since there are only a few weeks remaining.

The government's original revenue and spending targets were based on the assumptions that the economy, as measured by its gross national product (GNP), would grow by 4.5 percent for the year.

But the debilitating effects of the power shortage and the recession in major export markets had prompted a downscaling of expected GNP growth to 2.5 percent for the year.

The lower budget deficit has enabled the government to keep in line with its overall borrowing targets.

The consolidated public sector deficit (CPSD) is expected to reach only P37.7 billion or 2.5 percent of GNP by year end which is 17.5 percent lower than the programmed level of P45.7 billion or 3 percent of GNP.

The CPSD remained to control despite the jump in deficit spending of the government-owned and controlled corporations (GOCC) by 92 percent to P28.6 billion by year end from the expected level of P14.9 billion.

This was compensated slightly by a build up in the oil price stabilization fund (OPSF) to P8.1 billion by year end from the projected P3 billion due to the additional inflows from the P1 per liter additional levy implemented in the fourth quarter this year.

The DOF official noted the National Power Corp. had to increase its borrowings to finance its fast-track power projects necessary to shore up power supply.

The government's assumption and servicing of the P331 billion liabilities of the old Central Bank [CB] will not be booked this year but next year. The OPSF, GOCC borrowings, and CB debt servicing are part of the CPSD.

Thailand

Prasong Insists Arms To Be Returned to Suppliers

BK1412013793 Bangkok BANGKOK POST in English 14 Dec 93 p 3

[Text] Foreign Minister Prasong Sunsiri yesterday reaffirmed that the weapons found at a depot near the Thai-Cambodian border in Chanthaburi Province last week would be returned to the original suppliers.

Sqn Ldr Prasong said in Phnom Penh on Saturday that the arms stockpile came from many nations before the signing of the peace accord on Cambodia in Paris in 1991, and were destined for the three Khmer guerrilla factions fighting the Vietnamese-installed government led by Hun Sen. He said Thailand stopped distribution of the weapons after the signing of the peace accord and that these arms would be returned to the original suppliers.

Sqn Ldr Prasong's remark prompted Army Chief Gen Wimon Wongwanit to express strong disagreement. He said Sqd Ldr Prasong was wrong to say the arms would be returned and called on all parties concerned to stop commenting on the issue.

Gen Wimon said the weapons were sent before the peace accord by a "third country" and were destined for one of the Khmer factions fighting in Cambodia—an apparent reference to China and the Khmer Rouge respectively.

The Foreign Minister yesterday met Prime Minister Chuan Likphai to report on the matter and reaffirmed that the weapons must be returned to their owners through steps to be taken in accordance with Thai laws. He said the Foreign Ministry had been coordinating with the Armed Forces on this matter "Cambodia understood my explanation and thanked us. In international politics, we have to create confidence in our country in a straightforward manner," said Sqn Prasong, who visited Cambodia over the weekend for bilateral talks on several matters including the arms stockpile.

"There will be no conflict between politicians and the Armed Forces. If there is a conflict there must be talks to clear it up," he said.

The Foreign Minister said since the weapons are now in the care of the military, they must first be checked.

"Since we have admitted that the weapons were from a third country, in principle we have to return it to them. But we have to first look into the law as to how and to what extent we can deal with those weapons," Sqn Ldr Prasong said.

Report Examines Illicit Weapons Trade

BK1312111993 Bangkok SIAM POST in Thai
13 Dec 93 p 5

[Report by Rung-arun: "Weapons Trade: In Secret or in the Open"]

[Excerpts] Following the 7 December raid on a big weapons cache along the border in Chanthaburi Province, near Cambodia, we have heard comments from bigshots in Prime Minister Chuan Likphai's government, from military leaders, and from the secretary general of the National Security Council. They are sometimes consistent and sometimes contradictory. Our readers should be able to judge this for themselves. The reason is that there was a lack of coordination among leaders who granted interviews on the matter. In fact, the raid on this weapons arsenal also reflected an absence of coordination between the police and the military. All of this explains the reports we are reading. [passage omitted]

The trade in war weapons smuggled across the Cambodian and Lao borders into Thailand for transit to various battle zones—such as the Burmese border—has existed for a long time. Government leaders have always been aware of it. Although the opposition, in tabling a motion to seek a government explanation on the matter, has failed to get an explanation from the present government, it is surely very well aware of everything. It is generally assumed that major weapons smugglers survive because they are protected by influential people in colored uniforms. Sometimes it is the very people in the colored uniforms—either green [Army] or khaki [police]—who are conducting this business. [passage omitted]

Weapons from Cambodia are not just being smuggled through Thailand to Burma; quite a number of them are being smuggled to the Tamil separatist movement in Sri Lanka—the Liberation Tigers of Tamil Eelam (LTTE)—whose leader, General Vellupillai Prabahkaran, and his men have traveled to this region many times.

Weapons from Cambodia have also fallen into the hands of rebel groups fighting against the government in northeast India, such as Nagaland, Mizoram, and Manipur. The Indian authorities have records of this, based on interrogation of those they have arrested. There was an article in the 7-13 November issue of the Indian political weekly THE SUNDAY MAGAZINE in which the author indicated that the weapons came from Bangkok, Thailand. The person interviewed was Major General A.K. Sen Gupta, the general officer commanding the Army's 57th Mountain Division, whose major task is suppressing rebel groups operating near the Burmese border. Another senior officer interviewed, Brigadier Upinder Kumar, commandant of the Assam Rifles, said the same thing—some of the weapons used by rebels fighting the Indian authorities were smuggled via Bangkok, Thailand. Although the interview was not explicit, those who are familiar with the situation believe it is 100 percent possible. Nothing is impossible for weapons smugglers as long as there is enough money.

The route for smuggling weapons from Cambodia to India would be the following: They would either be loaded onto fishing boats in Ranong Province, southern Thailand for transportation to Bangladesh via the Andaman Sea or on the high seas; or else they would be loaded onto trucks at Arakan, Burma for transport along the Burmese border to Bangladesh, and then on to Nagaland, Mizoram, or Manipura in India. Bangladesh, which is not on friendly terms with India, would support the smuggling because the weapons are destined for use in creating trouble for its enemy. It is even said that Bangladeshi military intelligence, the Directorate General Forces of Intelligence—under the supervision of Major General Mohammed Nasem—plays a significant role in facilitating the weapons shipments.

It does not seem as if the issue of weapons smuggling will be resolved easily. There are still hundreds of tons of weapons available. These include surface-to-air missiles, or SAM's, for use against aircraft. The price is not very high because they were given for free by world powers supporting the Khmer Rouge. Each SAM missile costs around 200,000 baht; ten times lower than the ordinary price. According to reliable sources, the fee for guaranteed transportation of any sort of weapons is about 200,000 baht for three tons. This means transportation to any destination close to the border.

Wealthy drug kingpin Khun Sa already has SAM missiles. A few years ago he made this known by letting the Thai authorities seize one of the deadly weapons in Chiang Mai. The tactic was meant to shake American morale, since it means that—with only one SAM seized—there are still many left for him to fire at the commandos overflying his territory. Any possibility of American aircraft or helicopters landing commandos to capture Khun Sa can thus be ruled out, because they would be shot down first.

Khun Sa's low-cost public relations tactic really worked. The United States, which had indicted Khun Sa and wanted to get the drug kingpin for trial in a U.S. court, had to start all over again. The United States is known for several infamous missions, such as arresting Panamanian leader General Noriega and publishing a picture of him in handcuffs, and sending U.S. aircraft on a bombing mission against Libyan leader General al-Qadhdhafi a few years ago. Because of Khun Sa's tactic, it had to back down. It stopped sending Drug Enforcement Administration officials on open assignments in the north. The most it could do was use Thai agents.

Well, it is not good to talk so much about this kind of thing. Anyway, some people ask who is responsible for making the arrest of Khun Sa so difficult if it is not the very agencies that benefit, either directly or indirectly, from the suppression budget.

Well, if one were to dig deeper into this matter, it would be like revealing secrets without earning anything in exchange.

Amnuai Promises 'Crackdown' on Drug Trade

BK1412014593 Bangkok BANGKOK POST in English 14 Dec 93 p 6

[Text] Deputy Prime Minister Amnuai Wirawan yesterday promised a crackdown on the drug trade following the news a Thai army general had been arrested in Hong Kong last week in connection with an international heroin ring.

"Thailand has never supported the drug trade," said Mr Amnuai who oversees the Office of the Narcotics Control Board (ONCB).

"The Thai Government always adheres to a policy of drug control and suppression no matter who is involved in drug trafficking." Narcotics suppression agencies share information with international organisations in carrying out investigations and arrests, he said.

Mr Amnuai said the arrest of Maj-Gen Thanat Phakpatiphat, a Supreme Command headquarters officer, involved himself alone and should not tarnish the country's image as a whole.

"We have to differentiate the good people from the bad ones. People arrested on charges of trading in drugs can be ordinary people or state officials."

The Deputy Premier said he believed strongly in the honesty of other senior officials working for the country and denied the Army was lobbying for the release of Maj-Gen Thanat.

The US Drug Enforcement Administration suspects Maj-Gen Thanat of supplying narcotics to distributors in America based on a year-long investigation.

Earlier, a Thai brother and sister Michael Wu and Savonee O-Anuruk were arrested at a hotel in Eugene, Oregon, after they reportedly agreed to sell undercover agents seven kilogrammes of heroin worth $1.5 million.

Meanwhile, Chat Phatthana Party leader Chatchai Chunhawan demanded the military teach its soldiers to follow orders and be more disciplined following two scandals that have tainted the image of the Thai Armed Forces. He said the military risked losing fact over the arms warehouses discovered in Chanthaburi and the army major-general who was arrested in Hong Kong by US federal drug enforcement agents. Both incidents made headlines last week, he said.

"The military must change its line of command by imposing stricter measures on its staff in order to maintain order and discipline," Mr Chatchai said.

He said the image of the military and the country would again be tarnished if Thai soldiers have no discipline.

Gen Chatchai said he felt sorry for the Chulachomklao Military Cadet School because its students have committed scandals, while students from Thammasat University have grown up to fill important posts in the country. He reiterated that the parties involved must explain the facts to the public clearly although Army chief Wimon Wongwanit had asked them to keep their mouths closed.

Chinese CPPCC Delegation Arrives for Visit

BK1212121793 Bangkok XING XIAN RIBAO in Chinese 12 Dec 93 p 8

[Excerpt] An 11-member delegation led by Wu Xueqian, vice chairman of the National Committee the Chinese People's Political Consultative Conference [CPPCC], arrived in Bangkok last night for a week-long friendly visit to Thailand.

Wu Xueqian and his delegation were warmly welcomed at the airport by Deputy Senate Speaker General Wichit Bunyawat and Chinese Embassy Charge d'Affaires Ad Interim Yan Yanai. Accompanying his delegation are his wife Biling; CPPCC National Committee member Liu Zheng, former governor of Hunan Province; CPPCC National Committee member Li Luye, former ambassador to the United Nations; and CPPCC member Liu Hongru, a high-ranking economist.

Wu Xueqian, who is a former foreign minister, delivered a speech upon his arrival at the airport. He stressed that China and Thailand have had long-standing friendly relations since time immemorial. He said that his CPPCC delegation is visiting Thailand at the invitation of Senate Speaker Michai Ruchuphan. His delegation was accorded a cordial reception upon arrival in Thailand, for which he was very grateful.

Wu Xueqian said that China and Thailand are striving for national construction and improvement of their peoples' living standard. The Chinese Govenrment and people cherish the well-founded friendship between the two countries. China believes that the Sino-Thai friendly relations and cooperation will be further strengthened and developed under the common efforts of the two governments and peoples. This will be very significant for maintaining peace and stability in Southeast Asia.

He believes that the CPPCC delegation will make a due contribution to the development of Sino-Thai friendly relations and cooperation after this trip. [passage omitted]

PRC To Explore Transport, Telecom Investment

BK0912144993 Bangkok XING XIAN RIBAO in Chinese 3 Dec 93 p 9

[Text] A Chinese delegation is on a visit to Thailand to explore investment in transportation, telecommunications, and machine industry.

Chinese Internal Trade Minister Zhang Haoruo told reporters that China is interested in transferring technology to Thailand and helping to build double-track railways, which Thailand plans to construct.

Zhang, who is on his second visit to Thailand at the invitation of the commerce minister, said that the Chinese railways minister will visit Thailand soon to explore cooperation with the State Railway of Thailand. He said that China is also willing to help install machinery and equipment for factories in Thailand because Chinese companies have experience and their prices are competitive.

Commerce Minister Uthai Phimchaichon, who met with the Chinese internal minister a few days ago, said that he has asked China to consider buying Thai fragrant rice, rubber, tapioca, and palm oil to help reduce Thailand's trade deficit with China.

According to the Foreign Trade Department, the volume of bilateral trade between Thailand and China was U.S. $1,599 million in 1992. Thailand's imports from China were U.S. $1,214 million, while its exports to China were U.S. $385 million.

Bilateral trade during the first half of this year was U.S. $791 million.

Vietnam

U.S. Assistant Secretary of State Lord Visits

Meets With Vo Van Kiet 14 Dec

BK1412161393 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 14 Dec 93

[Text] At the Prime Minister's Office in Hanoi on 14 December, Prime Minister Vo Van Kiet recieved Mr. Winston Lord, U.S. assistant secretary of state for East Asian and Pacific Affairs, currently paying a visit to Vietnam.

Mr. Lord thanked Prime Minister Vo Van Kiet for the honor extended to him. He informed the prime minister of the results of his working session with leaders of the SRV Foreign Ministry on issues of mutual concern. The U.S. assistant secretary of state highly appraised Vietnam's cooperation with the U.S. in searching for MIAs during the past period as well as its efforts to accelerate normalization of relations between the two countries.

Mr. Lord asserted that the U.S. side hopes that Vietnam-U.S. relations develop well in the future and that the two countries will become friends eventually. He said that the U.S. side will try to create opportunities to help in normalizing Vietnam-U.S. relations for the interests of the two countries, the region, and the world. Mr. Lord said that in response to Vietnam's goodwill in humanitarian issues, the United States has decided to provide $2 million as aid for the reintegration program of Vietnamese refugees and $25,000 to typhoon victims in central Vietnam, as well as some equipment and a microfilm reading machine to help in the seeking of Vietnamese missing in the war.

Prime Minister Vo Van Kiet said Mr. Lord's visit is a contribution to promoting mutual understanding between Vietnam and the United States. The prime minister asserted that Vietnam unswervingly considers the settlement of the MIA issue a purely humanitarian issue and that Vietnam will do its best to cooperate with the U.S. side in searching for MIAs, which he said, suited the Vietnamese humanitarian tradition. Prime Minister Vo Van Kiet noted that Vietnam-U.S. relations have positively developed during the past period. He expressed the hope that both sides will forget the past and look to the future to contribute to accelerating the normalization of relations between the two countries. He said that Vietnam sympathizes with the U.S. on its internal difficulties, which have resulted in a setback in the normalization process and have not met the aspirations of the two peoples. He said, however, that we should not leave the impression that the MIA issue blocks normalization of relations—relations which have existed between the people of the two countries. The Prime Minister also thanked the U.S. side for its humanitarian aid to the Vietnamese people.

Holds News Conference in Hanoi

BK1412123093 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Dec 93

[Text] Winston Lord, U.S. assistant secretary of state, held a news conference in Hanoi on 14 December to brief reporters on his two-day visit to Hanoi to work on the MIA issue.

Mr. Winston Lord said that the U.S. delegation met with Prime Minister Vo Van Kiet and held a working session with Deputy Foreign Minister Nguyen Di Nien and the Hanoi MIA/POW Office. He said that the Vietnamese side has provided very good cooperation toward resolving the MIA issue, and that he was very pleased with the positive cooperation extended by his Vietnamese colleagues to the U.S. delegation during its stay in Hanoi.

Mr. Winston Lord answered many questions from Vietnamese and foreign reporters on issues relating to Vietnamese-U.S. relations, further steps in the normalization of relations between the two countries, and the settlement of the MIA/POW issue.

Tomorrow, the U.S. delegation will visit Danang City and Lao Bao village, bordering Laos, to study MIA cases in the area.

Prospects for Cooperation With ASEAN Viewed

BK1212050093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 11 Dec 93

[Text] The third international symposium under the theme Mutual Efforts for the Sake of Progress in ASEAN-Vietnam All-Around Cooperation was held from 4-7 December in Manila, the Philippines. The Vietnamese delegation, which was led by Deputy Prime Minister Tran Duc Luong, attended this important symposium.

In their speeches and exchanges of views at this symposium, the participants focussed on four main topics: The greater community role in Southeast Asia and the need to define new relations; ASEAN's regulations; Vietnam's membership to ASEAN; and the strengthening of regional economic cooperation and manpower resources development for the sake of national development and regional cooperation.

In expressing their views, the participants all maintained that as a result of the ongoing far-reaching changes in the region and other parts of the world, geopolitical factors are being replaced by geoeconomic factors and that this situation has created new opportunities as well as new challenges. More than ever before, there is a need for Southeast Asian countries to exert common efforts to build a new regional order which is beneficial for peace, cooperation, and development in Southeast Asia.

Against such a backdrop, efforts to expand ASEAN to let Vietnam and other Southeast Asian countries to join this organization will create a great collective strength to fully exploit all cooperation and development opportunities and cope effectively with the challenges now facing countries in the region.

The delegates unanimously agreed that since Vietnam's membership to ASEAN is a practical development process, it has been strongly supported by regional countries. Many delegates emphatically said that to speed up that process, Vietnam and ASEAN member countries should work out practical cooperation programs as soon as possible to cover different areas, such as political and security talks, trade and economy, culture and science and technology, human resources development, and other regional issues of common concern.

During his stay in the Philippines, Deputy Prime Minister Tran Duc Luong paid a courtesy call on President Fidel Ramos and met with Foreign Minister Roberto Romulo. He also toured the (Cavite) Processing Zone, the Asia Management Institute, the (SGP) (?Accountability Control) Company, and Subic Naval Base, which is being turned into a commercial port and processing zone by the Philippine Government.

On those occasions, the Philippine leaders and people accorded a warm welcome to the Vietnamese delegation and expressed their good friendship to the Vietnamese people.

Spokesman on Australian Rights Group Visit

BK1412150993 Hanoi VNA in English 1451 GMT 14 Dec 93

[All quote marks as received]

[Text] Hanoi VNA Dec. 14—Answering some correspondents on recent news reports that Australia would send a human right investigation mission to Vietnam, a spokesperson for the Vietnamese Foreign Ministry today said:

'As declared on many occasions with its open foreign policy Vietnam is ready to receive delegations of foreign countries and international organizations to come to study the country's situation and exchange views on issues of common concern on the basis of mutual respect and non-interference in internal affairs of each country'.

'During Australian Foreign Minister Gareth Evans's recent visit to Vietnam, answering a request from the Australian side, the Vietnamese side clearly saidithat it could in principle receive an Australian mission to Vietnam to study the situation and exchange views on the issues of common cencern aimed at strengthening the mutual understanding and promoting the friendship and cooperation between the two countries. The two sides agreed that that would not be a mission for 'investigation of human rights in Vietnam'. Moreover, the two sides have not yet agreed on the characteristics composition and schedule of the mission'.

Uzbek Trade Union Delegation Holds Talks

BK1312143193 Hanoi VNA in English 1412 GMT 13 Dec 93

[Text] Hanoi VNA Dec. 13—A delegation of the Trade Union of the Republic of Uzbekistan led by its Vice President M. Tulaganova [name as received] has paid a week-long visit to Vietnam as guest of the Vietnam General Confederation of Labour (VGCL).

While here, the delegation held talks with a delegation of the VGCL led by its Vice President Hoang Minh Chuc.

It also had working sessions with several state-owned businesses and trade union organizations in Hanoi, Haiphong port city and Ha Tay Province. The two sides informed each other of the workers' movement and trade union's activities and discussed measures to consolidate and strengthen the cooperation between the two organizations, especially economic cooperation. The two sides reached four agreements on exchanging workers to take rest at trade union's rest houses of the two countries. On this occasion, a memorandum of understanding on the establishment of a tailoring joint venture enterprise in Tashkent was signed between the service establishments of the VGCL and the Tourism Centre and the Uzbekistan's Convalescent Department.

The delegation was received by president of the Vietnam General Confederation of Labour Nguyen Van Tu.

Bui Thien Ngo Reports to National Assembly

BK1012124193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 8 Dec 93

["Report" on Interior Minister Bui Thien Ngo on efforts against corruption and smuggling delivered at Ninth National Assembly's fourth session in Hanoi on 6 December]

[Text] Dear friends: The government report presented by Interior Minister Bui Thien Ngo to the fourth session of the Ninth National Assembly appraised the results in the struggle against corruption and smuggling in 1993. He said:

The party Central Committee, the National Assembly, and the government implemented the decisions of the party Central Committee Political Bureau in 1993. They guided and urged various ministries, sectors, and localities to take concrete measures to oppose and eliminate corruption and smuggling.

State and party lines and policies on the struggle against corruption and smuggling have been widely supported by cadres and the people. Various major corruption and smuggling cases were detected and seriously tried by the court. In comparison to the spirit and letter of Decision No. 114, however, results obtained in this regard are still low. Significant changes have not been attained, and corruption and smuggling are still prevalent.

Regarding corruption, the report contends that this social vice is in close association with smuggling and other economic activities which are being carried out by opportunists through loopholes in the economic management of various state agencies. As a result, this social vice continues to persist—especially in key economic sectors such as trade, construction, communications and transportation, maritime products, and the agriculture and food industry—even as the government strives to oppose corruption. In 1993, the authorities concerned have detected 918 cases of corruption, including follow up cases. This caused a loss of 285.162 billion dong to the state.

Concerning smuggling, the report said that some progress has been made when compared to the previous year. This has contributed to restoring order in the market in accordance with the new management system. It can be said that the situation where state agencies and mass organizations' economic units engaged in smuggling has been eliminated to some extent. Measures aimed at strengthening survey and control work initially helped the agencies concerned to be able to detect various professional smuggling rings, seriously deal with smugglers, and minimize losses to the state.

The report, however, stressed that smuggling is still very serious in some areas and at certain times, especially at the southwestern and northern border areas as well as on various sea routes. In 1993, authorities detected and dealt with 17,025 cases of smuggling, trading of banned goods, illegal business transactions, counterfeit, and tax evasion. The authorities confiscated a volume of goods worth 309.384 billion dong. At the southwestern border alone, 1,870 cases were detected and goods confiscated were valued at 22 billion dong. At the northern border, 675 cases were dealt with and items confiscated were worth 13.494 billion dong.

The report reviewed the results in the struggle against corruption and smuggling in 1993 and presented a number of tasks that have been carried out. These include the promulgation of decision No. 114 on urgent measures to stop and eliminate corruption and smuggling, the formulation of concrete plans to guide various sectors and localities to implement this decision, the establishment of an anticorruption and antismuggling standing committee, and other efforts to help the prime minister lead, investigate, and deal with major corruption and smuggling cases. The prime minister has also issued a decision on various concrete measures and lines to guide ministries, sectors, provinces, and cities to prevent and oppose corruption and smuggling.

The government provided guidance for various sectors to review and supplement many legal documents on economic management, which are aimed at overcoming loopholes in management work. It also urged investigation agencies to closely coordinate with the Supreme People's Court and the Supreme People's Organ of

Control at the central and provincial levels to strengthen investigation work, and to detect and to deal with corruption and smuggling.

Since early this year, investigation agencies at various echelons have investigated 754 cases involving 2,224 criminals. The people's courts at various levels have tried 248 cases involving 427 offenders. The courts have, thus far, tried seven of the 13 serious cases.

According to the government report, the efforts and progress made on the front against corruption and smuggling are only preliminary. The work in preventing and fighting corruption and smuggling still possesses many shortcomings and weaknesses. For example, efforts have been very slow to implement the government's Decision 114 on reviewing, supplementing, and amending documents to perfect a set of mechanisms, policies, and legal procedures. The various sectors have not made timely efforts to overcome shortcomings in budget management and allocation, capital distribution, housing and land management, timber exports, and car imports. No adequate preparations have been made to amend a number of policies, including the tax policy. No uniform measures have been adopted to ensure strict implementation. These shortcomings have created loopholes that bad elements can take advantage of.

The campaign against corruption and smuggling must be linked with the efforts to purify state apparatuses and reorganize structures and cadres. So far, efforts have been slow in this domain. A number of cases still remain involving negativism and violations by cadres. Even worse, some of those cadres are leading officials in charge of various agencies and units. This situation has led to a decline in the trust of the masses.

According to the government report, the above-mentioned shortcomings and weaknesses have caused the campaign against corruption and smuggling to generate few results. The struggle against corruption and smuggling is one of the urgent tasks of the 1994 plan. The policies and measures set forth in the Political Bureau's Directive No. 15 and the government prime minister's Decision 114 regarding the campaign against corruption and smuggling are completely correct.

The government report stressed: It is necessary to reach a consensus on the fact that the survival of our regime and the success of our party-led revolutionary cause depend on the campaign against corruption and smuggling. Therefore, it is necessary to adopt firm and strong measures and provide close guidance over implementation in order to achieve more marked progress right from the beginning of 1994.

The government has adopted the following seven measures to carry out the campaign against corruption and smuggling in 1994:

1. It is necessary to review, amend, or supplement related policies and mechanisms to deal with corruption and smuggling activities.

2. It is important to have chiefs of agencies and units heighten awareness of the need to fight corruption and smuggling.

3. It is necessary for law enforcement agencies to focus efforts on areas that are likely to create conditions in which corrupt officials and smugglers can operate.

4. It is necessary for law enforcement agencies to adopt strong measures to consolidate and purify their internal organizations and seriously deal with cadres and combatants who engage in corruption or smuggling activities. It is important to select firm and honest cadres to take charge of special units to deal with corruption and smuggling operations.

5. It is necessary for ministries, sectors, and localities to assess regularly the implementation of the government's Decision 114 by various sectors and localities.

6. It is important to consolidate standing bodies in charge of fighting corruption and smuggling at the central level and in the various sectors, ministries, and localities. It is necessary to provide these bodies with better-defined rights and duties to ensure effective results.

7. To create a breakthrough in the campaign against corruption and smuggling, the government suggests that National Assembly deputies, National Assembly delegations, and the National Assembly Standing Committee step up supervision over implementation of the campaign against corruption and smuggling in areas under their charge, and work out legal documents to ensure timely and correct measures, thus creating favorable conditions for the campaign against corruption and smuggling.

Voters' Opinions on National Assembly Reported

BK1412081793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 13 Dec 93

["Summary" of Vu Mao's report on voters' opinions presented to National Assembly Fourth Session in Hanoi on 13 December]

[Text] Dear friend: The compiled report on voters' opinions on the National Assembly [NA] consists of two parts. The first part reflects voters's opinions on the previous NA session. The main content of this part covers voters' opinions on economic, cultural, educational, and social issues and on the fighting against corruption and smuggling. Besides, the voters also mentioned other issues such as the creation of favorable conditions for the development of small industry and handicrafts, the investment cooperation with foreign countries, and issues relating to mountainous areas and ethnicity, security and national defense, government and the law, and so forth.

Lately, the National Assembly, government, and related organs enthusiastically solicited voters' opinions and suggestions. They consider this an important foundation for the consideration and decision of our national socio-economic issues.

In its second part, the report compiles the suggestions presented to this National Assembly session by voters in the entire country. In the economic field, the voters agreed that the prominent achievement in 1993 is the control of inflation and the relatively good economic development rate.

However, to overcome difficulties and continue to accelerate the economy, the voters also suggested many fine measures to the government. They urged the better practice of thrift for the increase of savings and development investment and for the preservation of national independence and sovereignty. They called for the improvement of investment resource from the public and efficient use of foreign investment capital. They suggested the government to be more careful in deciding who can use this investment capital resource.

They said that we should exploit and take advantage of strong points in each locality and production sector. To do that, we need to have more appropriate import-export tax rates and improve the role of science and technology.

Regarding the agricultural production, the voters highly evaluated the party and state's line and policies in this area. It is possible to say that the Fifth Party Central Committee Plenum Resolution on Agriculture and Rural Areas, the Law on Land, and the Law on Agriculture Land Tax are the great driving force to accelerate the development of the agricultural production.

However, the voters also suggested that the government develop policies to subsidize agricultural products, improve the agricultural tax collection by converting paddy into money, and grant production loans in a term more suitable to agricultural production circles.

Regarding industrial, small industrial, and handicraft production, the voters maintain that we have had no concrete policies to make the nonstate industrial sector bear the leading role in this area. The experimental introduction of shares in some state enterprises is a correct policy, but its result is not great yet. Therefore, it is necessary to accumulate more experience before outlining necessary measures and structure on this issue. Many local industries have been downgrading; therefore, the voters suggested that the government grant more attention and investment to create new developing steps in these areas.

Regarding infrastructure construction, the voters supported the construction of key projects by the government. They reminded the government to pay more attention to the infrastructure construction in different localities.

The voters offered many opinions on the management of infrastructure projects. They said that the serious waste and losses in infrastructure construction are improving slowly. They urged the government to quickly perfect the management structure in this area to avoid further serious waste and losses.

The voters also mentioned issues relating to culture, education, health and social service, security, and national defense. In the education service, the voters maintained that in the recent years, the education situation has shown some [words indistinct] such as the education service quality is not high, school facilities are decaying, and the isolated and mountainous areas do not have enough teachers. The voters urged the government to grant subsidies for textbooks and teaching aid. The government should especially promptly upgrade school facilities in mountainous and isolated areas.

Regarding medical service, the voters maintained that medical treatment is still expensive and troublesome for the public. They suggested that the government should allow medical fee exemption to social welfare recipients and poor people. It should consider setting up free medical service centers.

Regarding social issues, the voters voiced their concerns about the poor employment prospect, especially for young job seekers. They suggested that the government should allocate more funding for employment service programs and vocational and foreign language training for the youth.

The fighting against corruption and smuggling attracted a lot of attention from the voters. They indicated that the party and state's line on fighting against corruption and smuggling is correct and obvious. However, its result is still inadequate and not meeting the expectation of the public.

They said that to satisfactorily combat smuggling, it is necessary to uniformly and closely combine all administrative, legal, and economic measures. In some localities, the voters suggested that the National Assembly promulgate the law on anticorruption and antismuggling.

Moreover, the voters also offered their opinions on the law- building work of the National Assembly, the new wage system, and issues relating to land and housing.

Local Party Chief Outlines Hanoi's Achievements

BK1412074193 Hanoi VNA in English 0658 GMT 14 Dec 93

[Text] Hanoi VNA Dec. 14—Hanoi this year made marked achievements in social and economic fields as well as in rural buiding and management, security and national defence, said Mr. Pham The Duyet, secretary of the city's Party Committee, in an interview with the national daily NHAN DAN today. The Hanoi's party chief pointed out encouraging economic indicators in 1993 including an increase of the gross domestic production (GDP) from USD 470 per head in 1991 to USD 565 this year, or an average annual increase of 10.5 per cent in three years 1991-93. He attributed the rise of the GDP to the relatively stable and rational development of all economic sectors. The state-owned economic sector, he said, still maintains its leading role and records higher increase than other sectors. The centrally-run state economic establishments located in Hanoi gained an average annual growth rate of 11.85 per cent, accounting for 65.5 per cent of the city's economic increase (compared with 65.3 per cent in 1991). Meanwhile the locally-run state economic establishments recorded a growth rate of 12.25 percent annually moreover the non-state economic sector increased averagely 6.4 per cent. All this means that Hanoi's economy is developing properly, Mr Duyet said.

The city's industrial production made a record increase of 19.9 per cent this year, compared with only 11.8 per cent two years ealier, with emphasis on the production on consumer goods and for- export items, the value of which was up by 25.1 per cent this year.

However, the party chief admitted, industries this year made up only 30.7 per cent of the city's economic value, which is expected to raise to 45-50 per cent in the coming two years.

As far as external economy is concerned, Mr Duyet was proud of the fact that the capital city has become more and more attractive to foreign and domestic investors. He said that the city now houses 700 liability limited companies, about 200 of them engaging in small industry and handicrafts. As a result, its export value rose to USD 420 million this year from usd 264 million in 1991. Tourism has developed in both quality and quantity, he said. There are now in Hanoi nearly 2,000 hotel rooms of international stards. Moreover foreign investors have put about USD 900 million in buiding industrial and commercial establishments in the city.

To further expand external economy, the Hanoi party chief said, it is necessary to promulgate new policies on land rental, taxes and infrastructure construction to attract more and more foreign investments.

Vo Van Kiet Sends Sympathy to Typhoon Victims

BK1112094593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Dec 93

[Text] Typhoon No. 11 landed in Khanh Hoa, Ninh Thuan, and Lam Dong Provinces on 8 and 9 December. Strong winds caused extensive losses in lives and property. In Lam Dong Province, flash floods triggered by heavy downpours submerged many houses.

On 10 December, on behalf of the party Central Committee and Government, Prime Minister Vo Van Kiet sent a message of sympathy to people in those localities affected by the typhoon. The message pointed out: Many natural diasters have occured repeatedly. The provincial people's committees and administrative organs at all levels are hereby requested to devote more efforts to overcoming the consequences of the typhoon in a satisfactory manner. Steps must be taken to uphold the spirit of mutual assistance among the people.

Ministries and sectors must assess the situation and work out urgent measures to help the affected provinces with their difficulties. Minister Nguyen Canh Dinh, chief of the Central Flood and Typhoon Control Steering Committee, is to head a government delegation comprising leading officials of the Ministries of Finance; Labor, War Invalids, and Social Welfare; and Communications and Transportation; and the Government Office to tour the affected areas and hold working sessions with the local officials to discuss ways to help the people resume production and stabilize their daily activities at an early date.

Nguyen Duc Binh Speaks at Seminar on Culture

BK1112141493 Hanoi Vietnam Television Network in Vietnamese 1215 GMT 10 Dec 93

[Text] The management board in charge of the project codenamed 0617 organized a symposium in Hanoi on 10 December under the theme: A Draft Cultural Platform for Vietnam in the New Stage. Comrade Nguyen Duc Binh, member of the Political Bureau and secretary of the party Central Committee, attended and addressed the symposium.

According to the speeches delivered on this occasion, culture is an instrument to gauge the spiritual life of individuals or communities based on their activities and ways of dealing with different aspects of life. Culture helps individuals and nations build their lives and ideological concepts, ensure their survival, and carry out the cause of national construction and defense.

Nowadays, mankind is undergoing important changes. Vietnam is no exception. The renovation process is taking place in all parts of the country and has recorded preliminary achievements on the political and socioeconomic fronts. There is an urgent need to set cultural development orientations for the present stage. The concepts on science, the nation, and the masses that the party put forth in 1945 in Vietnam's draft cultural platform continue to serve as a long-lasting foundation for us.

The speeches helped establish a scientifically sound basis for the formulation of a draft cultural platform for Vietnam in the new stage.

AFP Describes Lingering Unemployment Problem

BK1212011093 Hong Kong AFP in English 0104 GMT 12 Dec 93

[By Michael Collins]

[Text] Hanoi, Dec 12 (AFP)—The jobless who throng Hanoi's Giang Vo Street seeking work illustrate unemployment woes which linger in Vietnam despite the switch from central planning to a market economy seven years ago. The wide street in western Hanoi hosts the oldest of the three so-called labour markets in Hanoi where men—many demobilised soldiers or peasants—hover all day hoping for work. They represent a fraction of Vietnam's six million unemployed or underemployed, about 17 percent of the potential workforce in this country of 72 million.

Economists say the government, which thought capitalism would provide more jobs than socialism, is waiting for the country's fledgling private sector to absorb the jobless.

Until then, the men, sometimes numbering in the hundreds, squat on the broad, cobbled centre strip lined with trees, many playing cards or Chinese chess, hoping for snatches of work that can pay as little as 5,000 dong (48 U.S. cents) an hour.

"I am prepared to do anything," said Nguyen Van Hung, 32, who left Thai Binh Province five months ago.

When asked how often he received work offers, mostly manual labour, construction or handyman jobs, he replied: "Every two or three days. It depends."

Men clutching their stomachs as a way of begging indicate the plight of the jobless in Vietnam, where average income per capita is less than 200 dollars a year. Because there are no jobs for unemployed women, locals say they head to Hanoi's brothels for work.

Le Van Chut, 29, from Ha Tay Province wears army discards, as do many of the men. He estimated his earnings at about 200,000 dong a month from jobs found on the street, which became a labour market three years ago.

"It's not very much. It's enough for my life," he said.

"Some days you earn money. If it's raining, it's more difficult."

In summer the men sleep on the street, and during Hanoi's cold winters they share rooms in cheap boarding houses.

Economists said that unlike two years ago, the Vietnamese Government no longer viewed unemployment as a constraint to its "doi moi" reform drive, which began in 1986 and was accelerated in 1989.

The shift to a market economy swelled unemployment, as more than one million public workers and soldiers lost their jobs, one Western economist said. This prodded Hanoi into boosting subsidised credit to state firms to slow lay-offs.

Most of the state sector trimming has already been done, he said.

"Unemployment at the moment is not as pressing a problem," the economist said.

Any potential social unrest was more likely to stem from disgust at rampant graft, he said, adding: "Corruption has caused a lot of resentment."

The World Bank credits Hanoi's realisation that a planned economy was failing to absorb a growing workforce as an inspiration behind its "ambitious programme of renovation."

In a recent report, the World Bank said: "The planned economy was not generating sufficient productive jobs, and that failure was one of the main motivations for the shift to a market system.

Doan Chuong Essay on Human Rights Reported

BK1312102193 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 12 Dec 93

[Essay by Doan Chuong: "Human Rights for Whom?"]

[Text] It sounds funny to ask the question: Who needs human rights? Human rights are the rights of human beings, aren't they? But things in life are not so simple. Certain people have abused the notion of protecting human rights for their own dark political designs. More ironically, they have mostly directed their human rights criticisms at communists, socialist countries, and progressive people. These are the people and collectives that have fought very hard for human rights.

Take Vietnam as an example. Our people were once enslaved under exploitive colonial rule. The name of their country was not even listed on the world map. Our people had to fight for nearly a century for their right to live. It was only after the introduction of the clear-sighted policies of Uncle Ho and the Communist Party of Vietnam [CPV] that our people rose up to liberate themselves.

The 20th Century is drawing to a close with many complex and eventful changes. It can be said that this century has been prominently symbolized by national liberation. With all the modesty of a righteous people, we can be proud that our nation pioneered the liberation cause. This was our most fundamental human rights exploit. Yet we have heard a considerable number of complaints about Vietnam's human rights records on Western radio, through diplomatic contacts, in documents surreptitiously sneaked into the country by exiles, and through the innuendo of reactionaries here at home.

After we regained our rights as masters of our own country, more than one war of aggression was waged against our people. Raising their heads to struggle for the right to live and be masters of their own country—in compliance with Uncle Ho's slogan that nothing is more precious than independence and freedom, and with the CPV's policy of fighting a war of resistance for national salvation—our people fought resolutely and achieved a glorious victory. Was this not a fundamental human rights achievement?

The enemies who waged war against us were wrong; they committed countless crimes. Now we are painstakingly trying to heal the wounds of war and tackle its vestiges through various movements. These include the movement to eradicate hungry and poverty, the movement to repay the kindness of those who performed meritorious deeds for the country, the charity movement, and so forth. All of these deeply move the people. Far from offering any apology, however, the enemy continues to act resentfully.

Although we are under attack, we remain the descendants of Uncle Ho. As the Uncle put it: Our actions are righteous. We demand only independence and freedom. We do not act out of resentment. We want to make the world aware that we are a civilized people; more civilized than the murderous invaders. (COLLECTED WORKS OF HO CHI MINH; Volume 4, page 26).

Having failed in their attempts to invade and sell us, the enemy holds a grudge against us. Therefore, how can they call themselves civilized people?

The recent international seminar held in Hanoi on the defoliants sprayed in Vietnam by the United States during the war showed the danger that Dioxin poses to the environment and human life. Deformed babies are an example of this. They have only paid compensation to a quarter of their own soldiers who were contaminated with the toxic chemical. Many lawsuits are also being filed in this regard by troops from allied countries. They have paid no attention to the plight of Vietnamese victims, as reported by correspondent Minh Chuyen in the journal VAN NGHE QUAN DOI [MILITARY LITERATURE AND ART]. Yet they make a fuss about human rights protection.

Currently, despite the consequences of decades of arduous warfare, the Vietnamese people—implementing the party's renovation policy and the objectives of making the people prosperous, the nation powerful, and society advanced—are struggling to promote relations with other nations, build and develop the country, and improve people's daily lives. Thanks to our great efforts to overcome numerous difficulties, we have made encouraging achievements at home and won more friends abroad.

While we are trying to improve our situation, they continue their embargo against us. This significantly violates our human rights; that is, our right to develop, as stipulated in the International Declaration on Human Rights. Moreover, while criticizing the Vietnamese Communist regime for violating human rights, they have used the slogan of freedom, democracy, and human rights to carry out peaceful evolution, encourage rebellion, and attempt to overthrow our regime and undermine our people's peaceful lives.

They had claimed that the Vietnamese regime was still detaining a large number of officials from the former Saigon puppet government and that a bloodbath was unavoidable. No bloodbath took place, though. In reality, based on international practice, we could have set up a court to try these officials as war criminals. Because of our traditional humanitarian policy, however, we choose to reeducate them through labor and allow them to enjoy a family reunion according to their wishes.

It is obvious that our state and party have adopted an unprecedented humanitarian policy. There are ungrateful people, though, who break the pledges they have made. They claim that we are still detaining these prisoners of conscience [nguwowif tuf luwowng taam], and demand that Vietnam adopt the kind of freedom and democracy they want. But what sort of conscience are they talking about? If it is the conscience to oppose the fatherland and the people, then we must deal with it. Likewise, we must take action against the kind of freedom and democracy that violates the law. This is the normal practice of nations, regardless of their political system.

Mr. Brzezinski, a renowned anti-communist, strongly criticized Western-style democracy in his recent book OUT OF CONTROL. He wrote: In a society where culture has developed to its peak, individual desire can be attained at a maximum level, while spiritual restraint is observed to a minimum degree and citizens' freedoms are enhanced to the point of legalism. Gradually, freedom in various activities will be recognized as legal, including the freedom of expression and other acts to satisfy one's desire. According to him, traditionally, during both the French and U.S. Revolutions, the general concept of freedom was defined within the framework of the citizen's rights and obligations. As a result, the kind of freedom and democracy that neglects the citizen's obligations is a dangerous concept. We wonder whether those who claim to be freedom fighters understand this warning?

They accused us of suppressing religion as they vociferously spread news about the trial resulting from the Hue unrest. We would like to ask them: Are Buddhist monks sitting on streets to block traffic and destroying public cars exercising their freedom of religion? We believe that neither the Buddha's teachings nor the Catholic testaments include this, and it is not tolerated by public law in any country. Taking advantage of religion to carry out dark political schemes is the shopworn tactic of the reactionary forces. We are convinced that genuine clergymen and religious followers, as well as men of conscience, would undoubtedly oppose anyone who takes advantage of religion to commit crimes and discredit their religion.

These are the fact about the reactionaries' allegations of human right violations in Vietnam. We would like to ask: Whose human rights are they protecting? Is it the Vietnamese or any other legitimate group? The answer is: No one except for a small opposition group that supports and serves their scheme to overthrow the Vietnamese regime. This is the fact of the matter.

Vietnam is currently struggling to strengthen unity among people throughout the country while striving to attain the objectives of making the people prosperous, the country powerful, and society advanced. Vietnam wants to befriend all countries in the international community. We have promulgated our open-door foreign investment law and clearly announced our correct and righteous internal and foreign policies. We are determined to carry out these policies in the name of peace, stability, independence, and progress and for the peaceful lives and happiness of our people. We hope for a positive response from countries around the world, for the sake of friendship, cooperation, and mutual interest free from any imposition or pressure.